

FINANCIAL SUMMARIES

Total Revenues and Expenditures

Summary schedules which provide a high level overview of the entire Town budget, in a fund-type summary, as well as by fund-specific and category-specific summary levels.

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General Fund Revenues and Expenditures

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FINANCIAL SUMMARIES

Fund Balance

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**TOTAL BUDGETED FUND ACTIVITY SUMMARY
FY 2007/08**

Fund Category	Estimated Fund Balance 7/1/2007	Revenues, PY Carryfwrds and Transfers In	Expenditures, Use of FB and Transfers Out	Estimated Fund Balance 6/30/2008	Fund Balance Change From PY
<i>Operating Funds</i>					
General Fund	\$ 19,906,931	\$ 31,071,060	\$ 30,692,897	\$ 20,285,094	1.9%
Parking Management Program	-	-	-	-	0.0%
Solid Waste	360,407	331,384	381,384	310,407	(13.9%)
Community Dev Block Grant	1,076,334	158,254	368,904	865,684	(19.6%)
Non-Point Source	114,841	172,010	180,940	105,911	(7.8%)
Sewer Maintenance	-	-	-	-	0.0%
Assessment Districts	86,649	36,170	43,290	79,529	(8.2%)
Special Revenue Grants	30	-	-	30	0.0%
Equipment Replacement Fund	3,498,443	414,100	608,310	3,304,233	(5.6%)
Workers Comp Self Insurance	2,212,549	613,500	604,440	2,221,609	0.4%
ABAG Self Insurance	2,149,442	496,800	531,400	2,114,842	(1.6%)
Office Stores Fund	243,000	86,000	84,600	244,400	0.6%
Mgmt Information Systems	2,071,336	925,530	1,381,800	1,615,066	(22.0%)
Vehicle Maintenance	182,430	611,600	597,050	196,980	8.0%
Facilities Maintenance	587,831	1,189,500	1,179,600	597,731	1.7%
Total Operating Funds	\$ 32,490,224	\$ 36,105,908	\$ 36,654,615	\$ 31,941,517	(1.7%)
<i>Trust & Agency Funds</i>					
Library Trust Funds	\$ 301,367	\$ 33,450	\$ 36,200	\$ 298,617	(0.9%)
Parking District Agency Fund	318,089	148,080	144,940	321,229	1.0%
Total Trust & Agency Funds	619,456	181,530	181,140	619,846	0.1%
<i>Capital Funds</i>					
GFAR	\$ 3,804,073	\$ 1,713,070	\$ 3,291,272	\$ 2,225,871	(41.5%)
Traffic Mitigation Fund	120,051	50,000	50,000	120,051	0.0%
Grant Funded CIP Projects	(450)	3,174,574	3,174,574	(450)	0.0%
Storm Drain Funds	496,676	132,470	-	629,146	26.7%
Construction Tax Fund	2,255,596	140,220	-	2,395,816	6.2%
Gas Tax Fund	492,816	565,710	646,000	412,526	(16.3%)
Total Capital Funds	\$ 7,168,763	\$ 5,776,044	\$ 7,161,846	\$ 5,782,961	(19.3%)
<i>Redevelopment Agency Funds</i>					
Capital Projects	\$ 1,535,052	600,000	959,130	\$ 1,175,922	(23.4%)
Debt Service	6,952,926	6,597,990	5,034,400	8,516,516	22.5%
Low/Moderate Housing Program	6,337,811	1,676,800	497,420	7,517,191	18.6%
Total Redevelopment Funds	\$ 14,825,789	\$ 8,874,790	\$ 6,490,950	\$ 17,209,629	16.1%
TOTAL ALL FUNDS	\$ 55,104,232	\$ 50,938,272	\$ 50,488,551	\$ 55,553,953	0.8%

This Total Budgeted Fund Activity Summary schedule groups the Town's funds into four categories based on fund purpose:

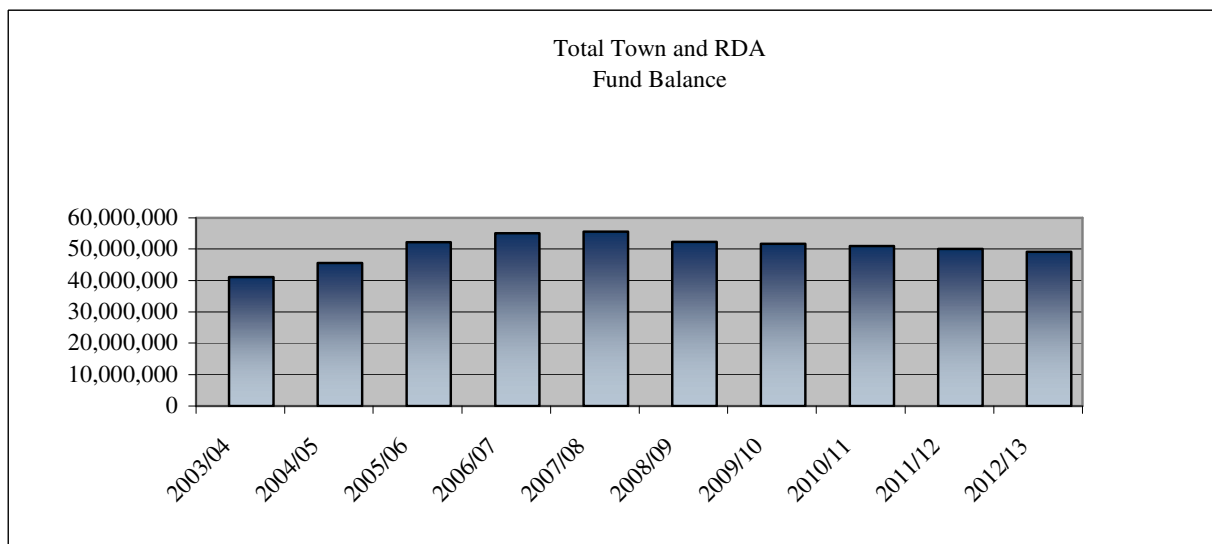
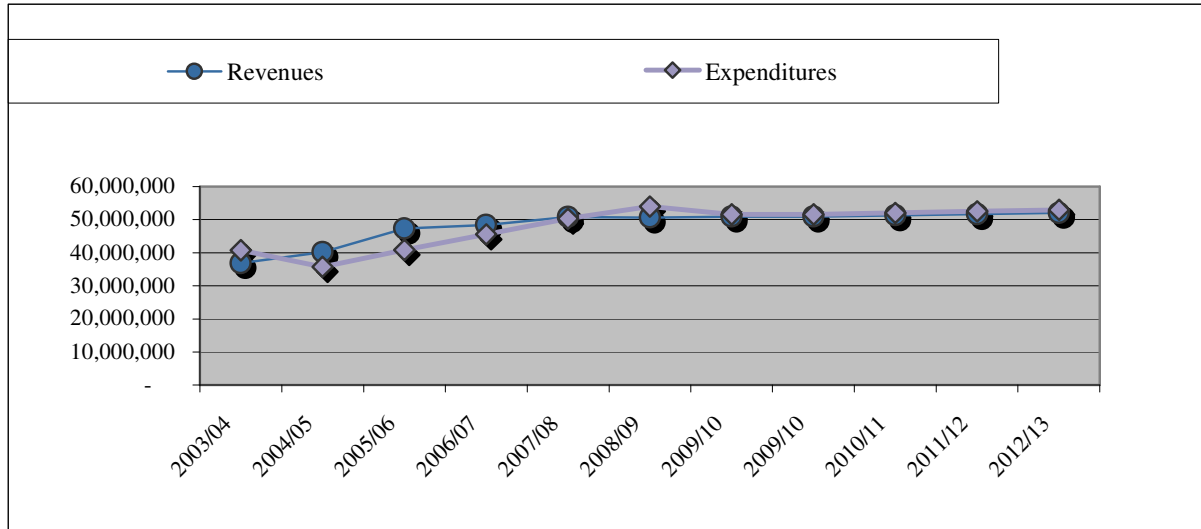
Operating Funds - Ongoing operations are funded out of the various Operating Funds. This includes the Town's General Fund departmental program operations, as well as special revenue activities and internal service functions.

Trust & Agency Funds – These funds are held in a fiduciary capacity, with little variation in activity. The Parking District Fund facilitates a debt service function, and the Library Trusts are held for special uses for the Library.

Capital Funds - Representing the capital improvement program activity, the Capital Funds reflect the significant progress made in the ongoing push in the capital program to complete projects, and the resulting decrease in fund balances.

Redevelopment Agency Funds – The RDA is financially external to the Town, however is included in the Town's budget to reflect the integral association between the two agencies. These funds represent the three functions of the RDA: the capital program to enhance the project area, the financing aspect of the Agency, and the affordable housing element of the program.

TOTAL TOWN & RDA REVENUE, EXPENDITURE, & FUND BALANCE TREND INFORMATION



Year End	Reference	Revenues and Transfers In	Expenditures and Transfers Out	Designated Fund Balance
2003/04	Actuals	36,878,439	40,696,339	\$ 41,177,233
2004/05	Actuals	40,170,433	35,716,244	\$ 45,631,422
2005/06	Actuals	47,355,131	40,805,944	\$ 52,180,608
2006/07	Estimated	48,410,703	45,523,609	\$ 55,104,232
2007/08	Adopted	50,938,272	50,488,551	\$ 55,553,953
2008/09	Projected	50,674,416	54,158,589	\$ 52,069,780
2009/10	Projected	51,036,816	51,686,620	\$ 51,419,975
2010/11	Projected	51,389,599	52,194,283	\$ 50,615,291
2011/12	Projected	51,731,574	52,677,990	\$ 49,668,876
2012/13	Projected	52,062,159	53,138,254	\$ 48,592,780

Expenditures and Transfers-Out may exceed Revenues and Transfers-In due to the inclusion of planned and carryforward capital projects which are re-appropriated until the project is completed.

TOTAL TOWN & RDA REVENUE, EXPENDITURE, & FUND BALANCE TREND INFORMATION

The FY 2007/08 budget continues to focus on the priority issues of maintaining public safety; maintaining and enhancing the Town's infrastructure including streets and parks; and providing library, community development, and community services to the Town's community. These priorities are coordinated with protecting the Town's fiscal health, and ensuring cost efficient and effective delivery of Town-wide administrative services. A continued emphasis on the implementation of various cost savings, revenue enhancements, and operating efficiencies over recent years has softened the impact of continuing negative fiscal developments; however, as is visible in the Revenue and Expenditure graph on the previous page, the Town's ongoing forecast reveals a decline in overall fund balances beginning in FY 2008/09. The decline in fund balances in 2008/09 is due to the planned use of capital reserves to implement Year Two of the Town's FY 2007-12 Capital Improvement Plan. The latest update the Town's Five Year Financial Plan indicates that a structural imbalance between operating revenues and expenditures is forecasted to begin in FY 2010/11. If the imbalance is not solved with permanent structural solutions or the revenue forecast to improve, the level of imbalance would continue to grow. Trends affecting the fund balance forecast include:

Salary and Benefits Increases – Delivery of Town services are highly dependent on labor (comprising almost 65.4% of General Fund expenditures), the cost of which is trending above the increase in operating revenue streams. The single largest driver of this cost has been the Town's contribution to the Public Employees Retirement System (PERS) on behalf of public safety employees. The Town's safety retirement contribution rates paid to the PERS have more than doubled in the past five years - from 16% of covered payroll in FY 2003/04 to almost 34% in FY 2007/08. All other employee contribution rates to PERS too have increased markedly, from 7% to nearly 13% over the same period. The impact of these rate changes translates to nearly a doubling in PERS contributions over the past five years whereas salaries have gone up by just under 14% over the same period.

While prior financial forecasts anticipated higher PERS rates continuing into future years, recent actuarial updates and proposed methodology changes in rate calculations by CalPERS suggest these percentages may stabilize and possibly decrease in out-years by a few percentage points. In either event, the rates charged are very dynamic and remain a cause of concern for the Town.

Other Cost Drivers – Other factors advancing the structural imbalance are fundamental expenditures increasing at a rate faster than revenues. Chief among these cost drivers are the continuing rise in energy costs, including fuel for police vehicles and Parks & Public Works field trucks, water for town parks, landscaping and facilities, and natural gas and electricity to provide heating, air conditioning, and lighting for public infrastructure and facilities including street lights, parking lots, parks, and the Town's Civic Center, Neighborhood Center and Corporation Yard facility.

Improving revenues coupled with prior year expenditure reductions have been successful and continue in place, enabling the Town to propose a balanced budget for FY 2007/08. Reductions continue to be achieved through strategic hiring freezes, organizational adjustments, operational efficiencies, and belt-tightening where appropriate. The Town is especially challenged in that lower-priority and temporary operational reductions have already been taken, meaning additional reductions will have visible operational impacts. Despite this, staff is committed to delivering high quality services with minimal disruption to the community where possible.

Revenue Recovery – During the boom years of the late nineties, the Town's General Fund operating revenues increased at an average rate of 13.8% per year between 1996 and 2001. However, the subsequent years between 2002 and 2004 saw declines in General Fund revenues. Revenues began to show a mild recovery in FY 2004/05. This trend has continued and influences the FY 2007/08 revenue budget projections.

Based upon recent revenue collections, the forecast for General Fund revenue projects an approximate 9.6% overall growth rate for revenue and an approximate 6.9% overall growth rate for expenditures. While property tax revenues are not as robust as in previous years, they have remained one of the stronger revenue sources with a projected growth pattern at a conservative 5.6% rate. With the slowing down of the housing sector nationwide, this revenue source will be closely monitored throughout FY2007/08 and any material adjustments will be brought forward during the mid year budget process. The Town's Sales Tax base, too, is an area of concern. The recent loss of three auto dealerships remains a concern. Revenue stability and diversity remains a concern and therefore an area of concern over the forecast period.

TOTAL TOWN & RDA
REVENUES, EXPENDITURES & FUND BALANCE FIVE-YEAR SUMMARY

	GENERAL FUND					SPECIAL REVENUE FUNDS				
	2003/04 Actual	2004/05 Actual	2005/06 Actual	2006/07 Estimate	2007/08 Budget	2003/04 Actual	2004/05 Actual	2005/06 Actual	2006/07 Estimate	2007/08 Budget
REVENUES										
Property Tax	5,207,381	5,302,061	5,831,822	6,469,440	6,727,220	37,200	37,398	37,161	33,510	33,510
VLF Backfill	-	1,554,932	1,923,378	1,990,550	2,030,360	-	-	-	-	-
Sales & Use Tax	6,914,526	7,904,130	8,655,566	8,100,140	8,231,100	-	-	-	-	-
Franchise Fees	930,997	942,648	1,130,190	1,238,940	1,603,180	-	-	-	-	-
Transient Occupancy Tax	829,026	868,908	1,028,664	1,000,000	1,000,000	-	-	-	-	-
Other Taxes	13,929	11,876	19,810	12,000	10,000	-	-	-	-	-
Licenses & Permits	2,031,387	2,417,193	2,611,108	2,632,832	2,970,400	-	-	-	-	-
Intergovernmental	3,213,221	2,317,013	2,779,681	2,229,790	2,168,025	227,056	341,641	234,895	190,054	162,878
Town Services	2,526,201	2,920,307	3,006,634	3,186,050	3,371,470	603,548	614,901	133,341	-	-
Internal Srvc Reimbursement	-	-	-	-	-	-	-	-	-	-
Fines & Forfeitures	751,532	580,936	608,331	577,391	525,405	-	-	-	-	-
Interest	37,407	905,704	1,407,265	1,705,700	1,498,300	111,549	43,049	60,040	57,010	54,660
Other Sources	184,116	536,091	3,059,896	567,118	535,100	253,765	261,080	511,044	421,400	166,660
Fund Transfers In	1,217,087	494,165	497,848	318,031	400,500	-	1,092	665	-	280,110
TOTAL REVENUES	23,856,810	26,755,964	32,560,193	30,027,982	31,071,060	1,233,118	1,299,161	977,146	701,974	697,818
EXPENDITURES										
Salaries & Benefits	16,055,093	16,959,579	18,088,938	18,736,022	20,002,380	620,772	627,310	400,647	270,800	368,300
Operating Expenditures	3,481,492	3,666,289	3,866,158	4,396,604	5,257,535	275,938	192,837	162,703	155,150	209,144
Grants & Awards	186,431	177,578	176,282	185,615	200,522	312,167	63,026	61,681	171,681	235,564
Fixed Assets	51,348	-	192,343	14,916	-	5,109	-	-	-	-
Interest	-	-	-	-	-	7,019	13,908	27,985	42,000	40,000
Internal Service Charges	3,141,607	2,820,426	2,904,563	3,194,700	3,312,300	134,549	117,564	60,713	46,500	51,900
Capital Projects	-	-	-	-	-	-	-	-	-	-
Capital Acquisitions	-	300,000	-	-	-	-	-	-	-	-
Facilities Maintenance	-	-	-	-	-	-	-	-	-	-
Debt Service	930,177	930,710	932,122	931,080	930,790	-	-	-	-	-
Transfers	273,770	257,876	542,673	779,337	989,370	199,870	203,578	213,717	116,119	69,610
TOTAL EXPENDITURES	24,119,918	25,112,458	26,703,079	28,238,274	30,692,897	1,555,424	1,218,223	927,446	802,250	974,518
Net Increase (Decrease)	(263,108)	1,643,506	5,857,114	1,789,708	378,163	(322,306)	80,938	49,700	(100,276)	(276,700)
Beginning Fund Balance	10,879,713	10,616,606	12,260,112	18,117,225	19,906,933	1,930,204	1,607,898	1,688,836	1,738,536	1,638,260
Ending Fund Balance	\$10,616,605	\$12,260,112	\$18,117,225	\$19,906,933	\$20,285,096	\$1,607,898	\$1,688,836	\$1,738,536	\$1,638,260	\$1,361,560

**TOTAL TOWN & RDA
REVENUES, EXPENDITURES & FUND BALANCE FIVE-YEAR SUMMARY**

	INTERNAL SERVICE FUNDS					LIBRARY TRUSTS & PARKING ASSESSMENT FUNDS				
	2003/04 Actual	2004/05 Actual	2005/06 Actual	2006/07 Estimate	2007/08 Budget	2003/04 Actual	2004/05 Actual	2005/06 Actual	2006/07 Estimate	2007/08 Budget
REVENUES										
Property Tax	-	-	-	-	-	141,856	159,081	138,206	137,740	141,580
VLF Backfill	-	-	-	-	-	-	-	-	-	-
Sales & Use Tax	-	-	-	-	-	-	-	-	-	-
Franchise Fees	-	-	-	-	-	-	-	-	-	-
Transient Occupancy Tax	-	-	-	-	-	-	-	-	-	-
Other Taxes	61,886	53,442	89,143	65,000	65,000	-	-	-	-	-
Licenses & Permits	-	-	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	6,000	-	-	-
Town Services	161,802	223,231	89,686	101,000	98,000	-	-	-	-	-
Internal Srvc Reimbursement	3,769,502	3,521,508	3,652,589	3,870,500	4,104,730	-	-	-	-	-
Fines & Forfeitures	-	-	-	-	-	-	-	-	-	-
Interest	18	24	47	25	-	20,236	18,162	14,214	19,050	19,050
Other Sources	187,561	141,792	128,163	120,390	69,300	98,127	91,897	56,561	20,900	20,900
Fund Transfers In	-	-	-	-	-	-	-	-	-	-
TOTAL REVENUES	4,180,769	3,939,997	3,959,628	4,156,915	4,337,030	260,218	275,140	208,981	177,690	181,530
EXPENDITURES										
Salaries & Benefits	712,070	769,507	885,847	886,143	1,060,300	28,106	20,100	9,899	13,100	-
Operating Expenditures	2,375,751	1,999,680	1,782,258	2,482,958	2,943,690	25,864	42,534	31,329	24,600	38,300
Grants & Awards	-	-	-	-	-	-	-	-	-	-
Fixed Assets	19,888	288,685	216,170	422,250	565,980	-	-	12,610	-	-
Interest	168	113	-	100	100	81,597	76,265	70,537	64,400	57,840
Internal Service Charges	-	-	-	-	-	1,280	645	313	1,700	-
Capital Projects	-	-	495,298	-	250,000	-	-	-	-	-
Capital Acquisitions	-	-	-	-	-	-	-	-	-	-
Facilities Maintenance	236,710	18,780	19,857	58,400	51,500	-	-	-	-	-
Debt Service	-	-	-	-	-	65,000	70,000	75,000	80,000	85,000
Transfers	650,000	-	146,450	809,322	115,630	-	-	-	-	-
TOTAL EXPENDITURES	3,994,587	3,076,765	3,545,880	4,659,173	4,987,200	201,847	209,544	199,688	183,800	181,140
Net Increase (Decrease)	186,182	863,232	413,748	(502,258)	(650,170)	58,371	65,596	9,293	(6,110)	390
Beginning Fund Balance	9,984,126	10,170,308	11,033,540	11,447,288	10,945,030	492,306	550,678	616,274	625,567	619,457
Ending Fund Balance	\$ 10,170,308	\$ 11,033,540	\$ 11,447,288	\$ 10,945,030	\$ 10,294,860	\$ 550,677	\$ 616,274	\$ 625,567	\$ 619,457	\$ 619,847

**TOTAL TOWN & RDA
REVENUES, EXPENDITURES & FUND BALANCE FIVE-YEAR SUMMARY**

	CAPITAL PROJECT FUNDS					REDEVELOPMENT AGENCY				
	2003/04 Actual	2004/05 Actual	2005/06 Actual	2006/07 Estimate	2007/08 Budget	2003/04 Actual	2004/05 Actual	2005/06 Actual	2006/07 Estimate	2007/08 Budget
REVENUES										
Property Tax	-	-	-	-	-	4,376,896	5,013,350	5,976,062	7,328,451	7,384,010
VLF Backfill	-	-	-	-	-	-	-	-	-	-
Sales & Use Tax	-	-	-	-	-	-	-	-	-	-
Franchise Fees	-	-	-	-	-	-	-	-	-	-
Transient Occupancy Tax	-	-	-	-	-	-	-	-	-	-
Other Taxes	169,440	410,371	348,988	175,000	155,000	-	-	-	-	-
Licenses & Permits	-	-	-	-	-	-	-	-	-	-
Intergovernmental	1,190,462	796,835	804,785	2,507,551	4,638,274	930,177	930,710	932,122	931,083	931,780
Town Services	-	-	-	-	-	-	-	6,676	-	-
Internal Svc Reimbursement	-	-	-	-	-	-	-	-	-	-
Fines & Forfeitures	-	-	-	-	-	-	-	-	-	-
Interest	70,510	86,530	96,750	130,000	137,400	61,850	251,150	358,764	555,000	559,000
Other Sources	143,949	233,304	341,554	172,610	153,240	274	4,597	3,464	-	-
CIP Proj Reimbursement	268,674	35,555	64,608	103,700	10,000	-	-	-	-	-
Fund Transfers In	135,290	137,768	715,409	1,442,747	682,130	-	-	-	-	-
TOTAL REVENUES	1,978,325	1,700,363	2,372,094	4,531,608	5,776,044	5,369,197	6,199,807	7,277,088	8,814,534	8,874,790
EXPENDITURES										
Salaries & Benefits	40,204	52,139	8,277	33,620	-	185,180	208,706	269,810	266,678	248,100
Operating Expenditures*	177,326	416	1,197	-	-	2,337,110	2,638,777	3,153,318	3,594,077	3,807,590
Grants & Awards	-	-	-	-	-	46,989	6,768	121,707	124,000	100,000
Fixed Assets	-	-	96,293	33,707	-	-	-	-	-	-
Interest	-	-	-	-	-	659,303	684,998	682,538	666,080	650,780
Internal Service Charges	6,292	1,920	443	1,385	-	12,676	12,508	15,191	16,802	14,700
Capital Projects	3,593,802	809,799	2,557,249	4,531,033	7,005,846	2,236,765	196,775	881,039	918,120	300,000
Capital Acquisitions	-	-	-	-	-	-	-	-	-	-
Facilities Maintenance	-	-	-	-	-	-	-	-	-	-
Debt Service	-	-	-	-	-	1,300,177	1,314,877	1,331,705	1,362,080	1,369,780
Transfers	228,742	171,572	311,081	56,000	156,000	-	-	-	-	-
TOTAL EXPENDITURES	4,046,366	1,035,846	2,974,540	4,655,745	7,161,846	6,778,200	5,063,409	6,455,308	6,947,837	6,490,950
Net Increase (Decrease)	(2,068,041)	664,517	(602,446)	(124,137)	(1,385,802)	(1,409,003)	1,136,398	821,780	1,866,697	2,383,840
Beginning Fund Balance	9,298,871	7,230,831	7,895,348	7,292,902	7,168,765	12,409,916	11,000,914	12,137,312	12,959,092	14,825,789
Ending Fund Balance	7,230,831	\$ 7,895,348	\$ 7,292,902	\$ 7,168,765	\$ 5,782,963	\$ 11,000,913	\$ 12,137,312	\$ 12,959,092	\$ 14,825,789	\$ 17,209,629

* Includes Pass Thrus

**TOTAL TOWN & RDA
REVENUES, EXPENDITURES & FUND BALANCE FIVE-YEAR SUMMARY**

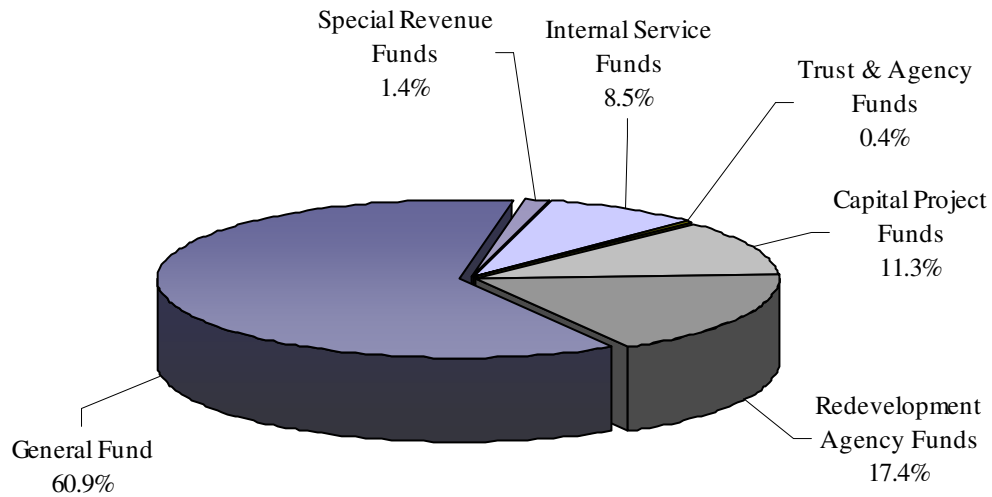
TOTAL ALL FUNDS

	2003/04 Actual	2004/05 Actual	2005/06 Actual	2006/07 Estimate	2007/08 Budget
REVENUES					
Property Tax	9,763,335	10,511,891	11,983,250	13,969,143	14,286,320
VLF Backfill	-	1,554,932	1,923,378	1,990,550	2,030,360
Sales & Use Tax	6,914,526	7,904,130	8,655,566	8,100,140	8,231,100
Franchise Fees	930,997	942,648	1,130,190	1,238,940	1,603,180
Transient Occupancy Tax	829,026	868,908	1,028,664	1,000,000	1,000,000
Other Taxes	245,255	475,689	457,941	252,000	230,000
Licenses & Permits	2,031,387	2,417,193	2,611,108	2,632,832	2,970,400
Intergovernmental	5,560,916	4,392,199	4,751,483	5,858,478	7,900,957
Town Services	3,291,551	3,758,439	3,236,337	3,287,050	3,469,470
Internal Srvc Reimbursement	3,769,502	3,521,508	3,652,589	3,870,500	4,104,730
Fines & Forfeitures	751,532	580,936	608,331	577,391	525,405
Interest	301,570	1,304,619	1,937,080	2,466,785	2,268,410
Other Sources	867,792	1,268,761	4,100,682	1,302,418	945,200
CIP Proj Reimbursement	268,674	35,555	64,608	103,700	10,000
Fund Transfers In	1,352,377	633,025	1,213,922	1,760,778	1,362,740
TOTAL REVENUES	36,878,440	40,170,433	47,355,129	48,410,705	50,938,272
EXPENDITURES					
Salaries & Benefits	17,641,417	18,637,339	19,663,419	20,206,363	21,679,080
Operating Expenditures	8,673,481	8,540,533	8,996,963	10,653,389	12,256,259
Grants & Awards	545,587	247,372	359,670	481,296	536,086
Fixed Assets	76,345	288,685	517,416	470,873	565,980
Interest	748,087	775,284	781,060	772,580	748,720
Internal Service Charges	3,296,404	2,953,063	2,981,223	3,261,087	3,378,900
Capital Projects	5,830,567	1,006,574	3,933,586	5,449,153	7,555,846
Capital Acquisitions	-	300,000	-	-	-
Facilities Maintenance	236,710	18,780	19,857	58,400	51,500
Debt Service	2,295,354	2,315,587	2,338,827	2,373,160	2,385,570
Transfers	1,352,382	633,026	1,213,921	1,760,778	1,330,610
TOTAL EXPENDITURES	40,696,334	35,716,243	40,805,942	45,487,079	50,488,551
Net Increase (Decrease)	(3,817,904)	4,454,187	6,549,188	2,923,625	449,721
Beginning Fund Balance	44,995,134	41,177,235	45,631,422	52,180,610	55,104,235
Ending Fund Balance	\$ 41,177,230	\$ 45,631,422	\$ 52,180,610	\$ 55,104,235	\$ 55,553,956

TOTAL TOWN & RDA REVENUES
BY FUND
(Includes Transfers In)

Fund	Fund Name	2003/04 Actuals	2004/05 Actuals	2005/06 Actuals	2006/07 Adopted	2006/07 Estimated	2007/08 Adopted	% Change
General Funds								
100	General Fund	23,856,811	26,755,964	32,560,194	28,332,820	30,027,982	31,071,060	9.7%
Special Revenue Funds								
210	Solid Waste Management	150,981	162,982	388,497	381,595	301,345	331,384	(13.2%)
218	HCD Housing Rehabilitation	109,369	167,530	57,530	27,000	54,000	52,000	92.6%
219	HCD-CDBG	124,805	133,518	179,264	162,310	126,493	106,254	(34.5%)
220	Urban Run-Off Program	169,955	158,570	176,333	174,060	174,060	172,010	(1.2%)
230	Sewer Maintenance	590,316	576,420	133,342	-	-	-	
270	Special Revenue Grants	48,311	21,942	2,510	-	9,556	-	
	<u>Assessment Districts</u>							
250	Blackwell District	3,292	3,252	3,210	3,200	3,200	3,200	0.0%
251	Kennedy Meadows District	10,325	10,479	10,589	10,475	10,625	10,295	(1.7%)
252	Gemini Court District	4,252	4,240	4,270	4,240	4,290	4,290	1.2%
253	Santa Rosa Heights District	9,277	9,586	9,610	6,000	6,500	6,500	8.3%
254	Vasona Heights District	10,090	10,055	9,930	9,935	9,835	9,835	(1.0%)
255	Hillbrook District	2,145	2,108	2,063	2,100	2,070	2,050	(2.4%)
256	Arroyo Del Rancho	-	38,481	-	-	-	-	
Internal Service Funds								
601	Equipment Replacement	484,750	452,915	403,370	362,730	357,700	414,100	14.2%
610	Worker's Comp Self Insurance	498,308	587,281	634,178	595,700	595,025	613,500	3.0%
620	Self Insurance Fund	636,062	510,849	506,227	482,300	523,750	496,800	3.0%
680	Office Stores Fund	117,466	89,551	84,593	86,000	79,890	86,000	0.0%
685	Management Info Systems	832,881	831,813	822,041	838,200	851,000	925,530	10.4%
690	Vehicle Maintenance Fund	515,090	466,366	501,765	597,800	597,800	611,600	2.3%
695	Facilities Maintenance Fund	1,096,212	1,001,223	1,007,454	1,119,300	1,151,750	1,189,500	6.3%
Trust & Agency Funds								
710	Library Trust	99,367	25,290	46,606	18,800	18,900	18,900	0.5%
711	Ness Trust Bequest	3,500	3,860	4,320	4,500	7,000	7,000	55.6%
712	Hooked on History Project	-	75,626	13,525	3,700	3,950	3,950	6.8%
713	Betty McClendon Trust	-	-	-	2,700	3,600	3,600	33.3%
724	Parking District #88	157,352	170,363	144,530	147,740	144,240	148,080	0.2%
Capital Project Funds								
400	GFAR	594,170	273,859	1,024,851	1,894,930	1,984,929	938,070	(50.5%)
405	Traffic Mitigation	-	70,000	180,000	275,000	50,000	50,000	(81.8%)
410	Grant Funded CIP Projects	588,097	306,583	183,304	4,539,262	1,645,679	313,670	(93.1%)
461	Storm Drain #1	50,595	136,147	45,303	59,000	55,000	56,020	(5.1%)
462	Storm Drain #2	48,467	208,696	209,187	52,400	70,000	59,520	13.6%
463	Storm Drain #3	25,221	33,915	32,465	19,400	15,000	16,930	(12.7%)
474	Const Utility Underground	103,886	99,613	142,413	95,000	140,000	140,220	47.6%
480	Gas Tax - Street & Signal	567,889	571,551	554,571	562,700	571,000	565,710	0.5%
482	Traffic Congestion Relief	-	-	-	-	-	-	
Redevelopment Agency Funds								
930	RDA - Capital Project Funds	93,489	589,457	595,589	50,000	639,000	600,000	1100.0%
950	RDA - Debt Service Fund	4,329,626	4,422,889	5,524,806	5,494,780	6,509,844	6,597,990	20.1%
960	RDA - Low/Moderate Housing	946,082	1,187,461	1,156,692	1,197,430	1,665,690	1,676,800	40.0%
Total Fund Rev and Transfers-In		36,878,439	40,170,433	47,355,131	47,613,107	48,410,703	47,302,368	(0.7%)
Plus Estimated PY Carryforward Grant Revenue for Capital Projects							3,635,904	
Total Fund Revenues, Transfers -In, and Prior Year Carryforwards							50,938,272	
Plus Estimated Use of Town Fund Balance for Capital Projects							997,072	
Plus Estimated Use of RDA Fund Balance for Capital Projects							254,493	
Total Fund Revenues, Transfers -In, Prior Year Carryforwards, and Use of Fund Balance							52,189,837	

TOTAL TOWN & RDA REVENUES BY FUND

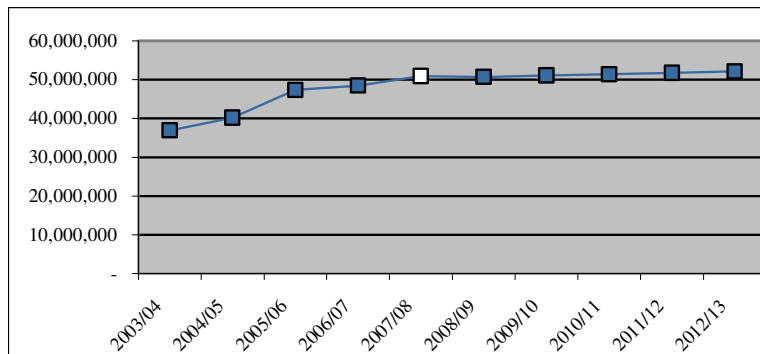


FY 2007/08 Revenues By Fund

	2003/04 Actuals	2004/05 Actuals	2005/06 Actuals	2006/07 Adopted	2006/07 Estimated	2007/08 Adopted	% of Total
General Fund	\$23,856,811	\$26,755,964	\$32,560,194	\$28,332,820	\$30,027,982	\$31,071,060	60.9%
Special Revenue Funds	1,233,117	1,299,162	977,147	780,915	701,974	697,818	1.4%
Internal Service Funds	4,180,769	3,939,998	3,959,628	4,082,030	4,156,915	4,337,030	8.5%
Trust & Agency Funds	260,219	275,139	208,981	177,440	177,690	181,530	0.4%
Capital Project Funds	1,978,326	1,700,364	2,372,094	7,497,692	4,531,608	5,776,044	11.3%
Redevelopment Agency Funds	5,369,197	6,199,807	7,277,087	6,742,210	8,814,534	8,874,790	17.4%
Total Rev & Transfers In	\$36,878,439	\$40,170,433	\$47,355,131	\$47,613,107	\$48,410,703	\$50,938,272	100.0%

TOWN and RDA REVENUE HISTORICAL TREND (Includes Transfers In)

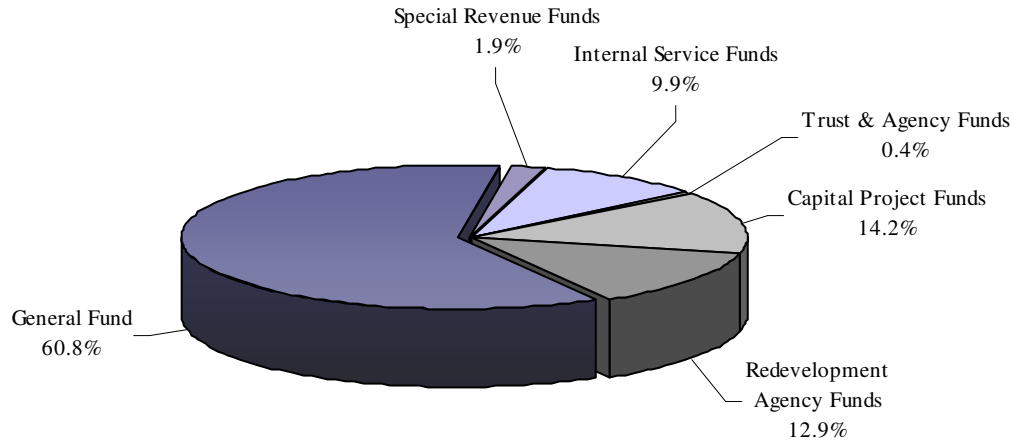
FY	Total	Status
2003/04	36,878,439	Actuals
2004/05	40,170,433	Actuals
2005/06	47,355,131	Actuals
2006/07	48,410,703	Estimated
2007/08	50,938,272	Projected
2008/09	50,674,416	Projected
2009/10	51,036,816	Projected
2010/11	51,389,599	Projected
2011/12	51,731,574	Projected
2012/13	52,062,159	Projected



TOTAL TOWN & RDA EXPENDITURES
BY FUND
(Includes Transfers Out)

Fund	Fund Name	2003/04 Actuals	2004/05 Actuals	2005/06 Actuals	2006/07 Adopted	2006/07 Estimated	2007/08 Adopted	% Change
General Funds								
100	General Fund	24,119,915	25,112,458	26,703,080	28,614,645	28,238,274	30,692,897	7.3%
Special Revenue Funds								
210	Solid Waste Management	184,517	232,054	308,620	384,802	270,852	381,384	(0.9%)
218	HCD Housing Rehabilitation	269,888	32,073	27,985	227,000	162,000	240,000	5.7%
219	HCD-Community Block Grant	124,082	134,241	179,264	162,310	121,433	128,904	(20.6%)
220	Urban Run-Off Program	214,828	174,463	219,219	174,060	170,460	180,940	4.0%
230	Sewer Maintenance	590,316	576,420	133,342	-	-	-	- %
270	Special Revenue Grants	121,872	15,710	18,039	12,719	22,275	-	(100.0%)
Assessment Districts								
250	Blackwell District	3,657	4,909	3,310	3,790	3,640	3,220	(15.0%)
251	Kennedy Meadows District	6,330	6,977	7,181	22,030	21,880	8,060	(63.4%)
252	Gemini Court District	4,644	4,699	3,215	4,970	4,770	5,000	0.6%
253	Santa Rosa Heights District	6,522	6,983	6,768	6,440	6,240	13,140	104.0%
254	Vasona Heights District	13,824	16,397	11,884	12,950	12,850	8,490	(34.4%)
255	Hillbrook District	6,482	4,815	5,296	6,050	5,850	5,380	(11.1%)
256	Arroyo Del Rancho	8,462	8,480	3,324	-	-	-	- %
Internal Service Funds								
601	Equipment Replacement Fund	420,794	230,332	331,187	550,500	422,750	608,310	10.5%
610	Worker's Comp Self Insurance	776,762	489,316	260,675	600,540	573,033	604,440	0.6%
620	Self Insurance Fund	944,733	392,924	398,988	496,100	421,505	531,400	7.1%
680	Office Stores Fund	93,965	77,585	72,702	83,350	79,000	84,600	1.5%
685	Management Info Systems	503,099	655,663	642,904	1,703,470	1,360,533	1,381,800	(18.9%)
690	Vehicle Maintenance Fund	416,871	479,904	520,239	597,600	549,170	597,050	(0.1%)
695	Building Maintenance Fund	838,363	751,039	1,319,186	1,228,900	1,253,182	1,179,600	(4.0%)
Trust & Agency Funds								
710	Library Trust	53,218	33,456	17,695	16,000	13,500	15,500	(3.1%)
711	Ness Trust Bequest	-	-	-	-	-	-	- %
712	Hooked on History Project	-	27,793	34,442	25,900	18,800	15,700	(39.4%)
713	Betty McClendon Trust	-	-	-	5,000	5,000	5,000	
724	Parking District #88	148,629	148,294	147,552	146,500	146,500	144,940	(1.1%)
Capital Project Funds								
400	GFAR	2,776,178	463,822	1,005,366	3,062,243	2,012,979	1,519,200	(50.4%)
405	Traffic Mitigation	61,366	65,572	205,081	40,430	(50,000)	50,000	23.7%
410	Grant Funded CIP Projects	464,454	346,010	188,877	4,493,586	1,636,532	313,670	(93.0%)
461	Storm Drain #1	106,725	20,200	215,000	50,000	165,000	-	(100.0%)
462	Storm Drain #2	-	-	400,000	-	14,150	-	- %
463	Storm Drain #3	-	-	7,386	192,614	267,614	-	(100.0%)
474	Const Utility Underground	-	-	-	-	-	-	- %
480	Gas Tax - Street & Signal	637,644	140,244	916,301	646,000	646,000	646,000	0.0%
482	Traffic Congestion Relief	-	-	-	-	-	-	
Redevelopment Agency Funds								
930	RDA - Capital Project Funds	2,800,516	769,569	1,482,950	1,847,533	1,536,860	704,637	(61.9%)
950	RDA - Debt Service Fund	3,735,768	4,085,474	4,591,731	4,224,800	4,971,839	5,034,400	19.2%
960	RDA - Low/Moderate Housing	241,916	208,367	380,626	451,050	439,138	497,420	10.3%
Total Operating Exp by Fund:		40,696,339	35,716,244	40,769,414	50,093,882	45,523,609	45,601,082	(9.0%)
Plus Estimated PY Carryforward of Town Grant Funded Capital Project Appropriations							2,860,904	
Plus Estimated PY Carryforward of Town Capital Project Appropriations							1,772,072	
Plus Estimated PY Carryforward of RDA Capital Project Appropriations							254,493	
Total Fund Expenditures, Transfers-In, and Prior Year Carryforwards:							50,488,551	

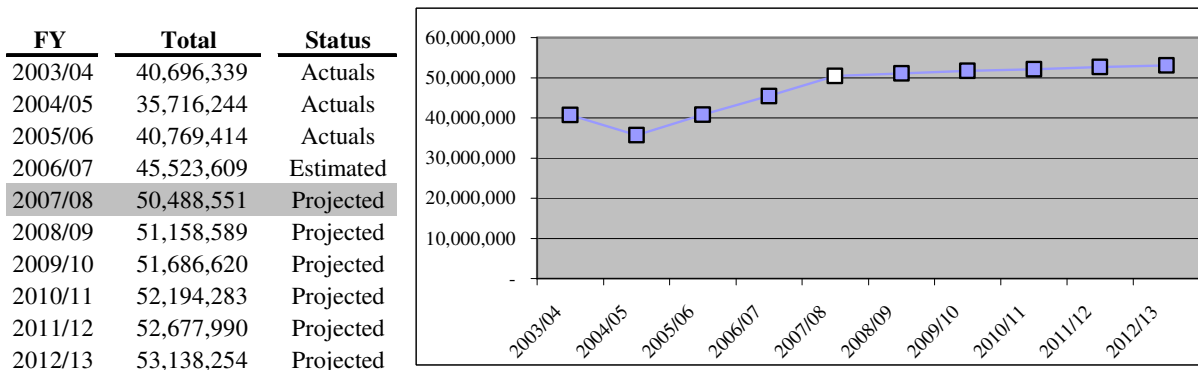
TOTAL TOWN & RDA EXPENDITURES BY FUND



FY 2007/08 Expenditures by Fund

	2003/04 Actuals	2004/05 Actuals	2005/06 Actuals	2006/07 Adopted	2006/07 Estimated	2007/08 Adopted	2007/08 %
General Fund	\$24,119,915	\$25,112,458	\$26,703,080	\$28,614,645	\$28,238,274	\$30,692,897	60.8%
Special Revenue Funds	1,555,424	1,218,222	927,447	1,017,121	802,250	974,518	1.9%
Internal Service Funds	3,994,587	3,076,764	3,545,881	5,260,460	4,659,173	4,987,200	9.9%
Trust & Agency Funds	201,847	209,543	199,689	193,400	183,800	181,140	0.4%
Capital Project Funds	4,046,367	1,035,848	2,938,011	8,484,873	4,692,275	7,161,846	14.2%
Redevelopment Agency Funds	6,778,200	5,063,409	6,455,307	6,523,383	6,947,837	6,490,950	12.9%
Total Exp & Transfers Out	\$40,696,339	\$35,716,244	\$40,769,414	\$50,093,882	\$45,523,609	\$50,488,551	100.0%

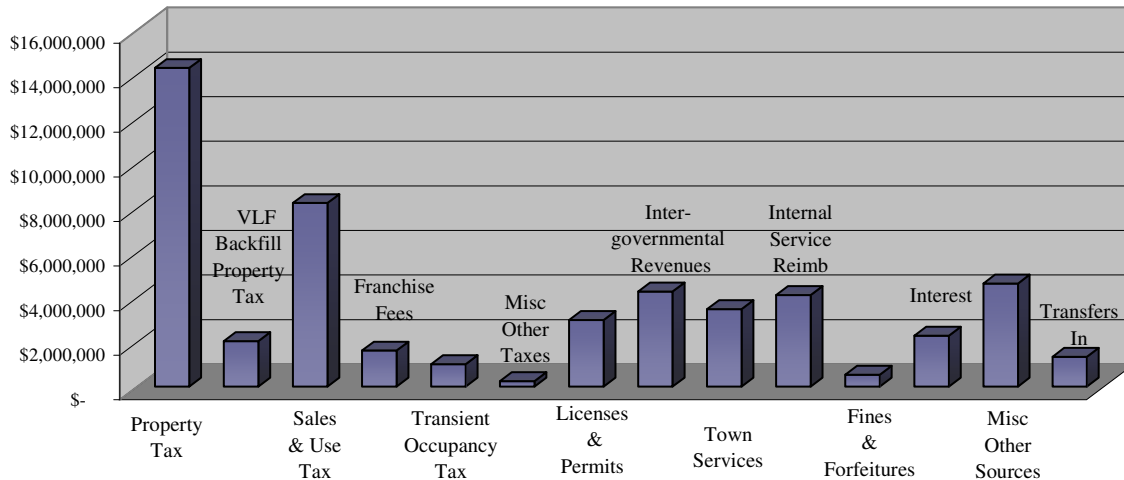
TOWN and RDA EXPENDITURE HISTORICAL TREND (Includes Transfers Out)



FY 2007/08 reflects a spike due to the inclusion of carryforward appropriations for prior year's uncompleted capital projects. Future year expenditure estimates reflect an approximate 3% projected total expenditure growth rate.

TOTAL TOWN & RDA REVENUES BY CATEGORY

FY 2007/08 Budgeted Revenues



Revenues	2003/04 Actuals	2004/05 Actuals	2005/06 Actuals	2006/07 Adopted	2006/07 Estimated	2007/08 Adopted	% of Total
Property Tax	\$ 9,763,333	\$10,511,891	\$11,983,252	\$12,078,280	\$13,969,141	\$14,286,320	28.0%
VLF Backfill Property Tax	-	1,554,932	1,923,378	1,879,500	1,990,550	2,030,360	4.0%
Sales & Use Tax	6,914,526	7,904,130	8,655,566	7,646,000	8,100,140	8,231,100	16.2%
Franchise Fees	930,997	942,648	1,130,190	1,013,500	1,238,940	1,603,180	3.1%
Transient Occupancy Tax	829,026	868,908	1,028,664	930,000	1,000,000	1,000,000	2.0%
Miscellaneous Other Taxes	245,254	475,690	457,941	212,000	252,000	230,000	0.5%
Licenses & Permits	2,031,387	2,417,193	2,611,108	2,537,500	2,632,832	2,970,400	5.8%
Intergovernmental Revenues	5,560,916	4,392,199	4,751,483	8,392,898	5,705,478	4,265,053	8.4%
Town Services	3,291,551	3,758,439	3,236,338	3,265,490	3,440,050	3,469,470	6.8%
Internal Service Reimbursements	3,769,503	3,521,510	3,652,589	3,876,230	3,870,500	4,104,730	8.1%
Fines & Forfeitures	751,532	580,937	608,331	455,900	577,391	525,405	1.0%
Interest	301,570	1,304,619	1,937,079	1,618,340	2,466,785	2,268,410	4.5%
Miscellaneous Other Sources	867,787	1,268,759	4,100,682	2,258,680	1,302,418	977,330	1.9%
CIP Project Reimbursement	268,674	35,556	64,608	80,000	103,700	3,645,904	7.2%
Total Revenues	\$35,526,056	\$39,537,411	\$46,141,209	\$46,244,318	\$46,649,925	\$49,607,662	
Plus Transfers In:	1,352,382	633,025	1,213,921	1,368,789	1,760,778	1,330,610	2.6%
Total Revenues & Other Sources	\$36,878,438	\$40,170,436	\$47,355,130	\$47,613,107	\$48,410,703	\$50,938,272	100.0%

Total Budgeted Revenues (exclusive of Bond Proceeds and Transfers In) reflect mild growth in receipts for most revenue categories. Some revenues of note are as follows:

Property Tax – Property Tax revenues continue to grow with the ongoing surge in property values and the Town’s tax base from subsequent housing stock turnover.

Sales and Use Tax – continues to reflect significant growth in one business which helped to offset the economic downturn during FY 2002/03 through FY 2004/05 and the subsequent loss of three auto dealers in FYs 2005/06 and 2006/07.

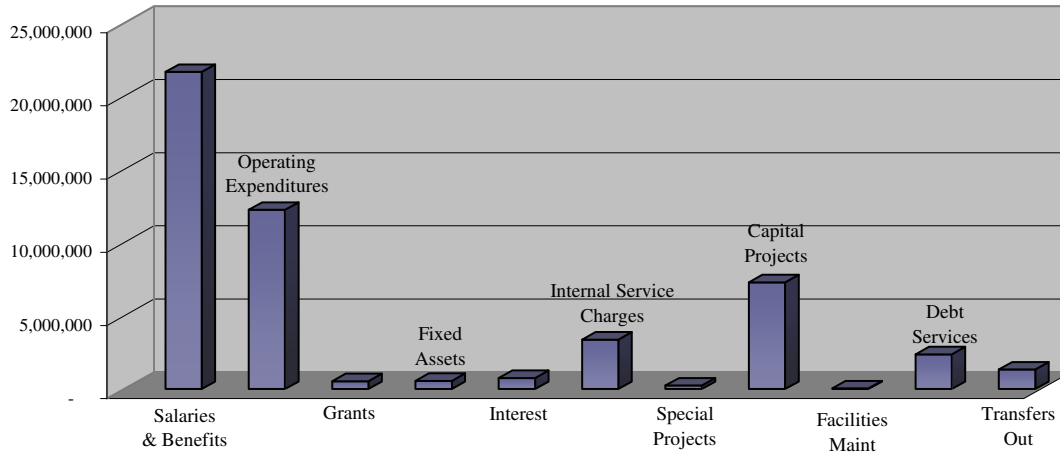
Licenses and Permits – reflects revenue growth resulting from increased building and the cost recovery fee structure.

Intergovernmental Revenues – reflect an increase due in large part to the estimated increase for FY2007/08 police services between the Town and the City of Monte Sereno.

Interest – With rising interest rates and higher invested cash balances than the prior year, FY 2007/08 reflects ongoing growth in interest receipts.

TOTAL TOWN & RDA EXPENDITURES BY CATEGORY

FY 2007/08 Budgeted Expenditures



	2003/04	2004/05	2005/06	2006/07	2006/07	2007/08	% of
Expenditures	Actuals	Actuals	Actuals	Adopted	Estimated	Adopted	Total
Salaries and Benefits	\$ 17,641,425	\$ 18,637,341	\$ 19,663,420	\$ 20,792,300	\$ 20,206,363	\$ 21,679,080	42.9%
Operating Expenditures	8,673,479	8,540,533	9,003,194	10,682,021	10,653,389	12,256,259	24.3%
Grants	545,587	247,372	353,439	557,096	481,296	536,086	1.1%
Fixed Assets	76,345	288,685	517,414	603,707	470,873	565,980	1.1%
Interest	748,088	775,285	781,060	762,580	772,580	748,720	1.5%
Internal Service Charges	3,296,404	2,953,061	2,981,222	3,193,300	3,261,087	3,378,900	6.7%
Special Projects	-	-	-	282,300	-	250,000	0.5%
Capital Projects	5,830,567	1,006,573	3,401,757	9,439,629	5,485,683	7,305,846	14.5%
Capital Acquisitions	-	300,000	-	-	-	-	0.0%
Facilities Maintenance	236,710	18,780	515,155	60,000	58,400	51,500	0.1%
Debt Services	2,295,354	2,315,587	2,338,827	2,352,160	2,373,160	2,385,570	4.7%
Total Expenditures	\$ 39,343,959	\$ 35,083,217	\$ 39,555,489	\$ 48,725,093	\$ 43,762,831	\$ 49,157,941	
Transfers Out	1,352,382	633,025	1,213,922	1,368,789	1,760,778	1,330,610	2.6%
Total Uses of Funds	\$ 40,696,341	\$ 35,716,242	\$ 40,769,411	\$ 50,093,882	\$ 45,523,609	\$ 50,488,551	100.0%

Total Budgeted Expenditures (exclusive of Transfers Out) include budgeted Capital Improvements, which can vary significantly from year to year. Net of Capital Projects, total expenditures reflect an overall increase of 6.2% in FY 2007/08 from the prior years adopted budget. Expenditures of note include:

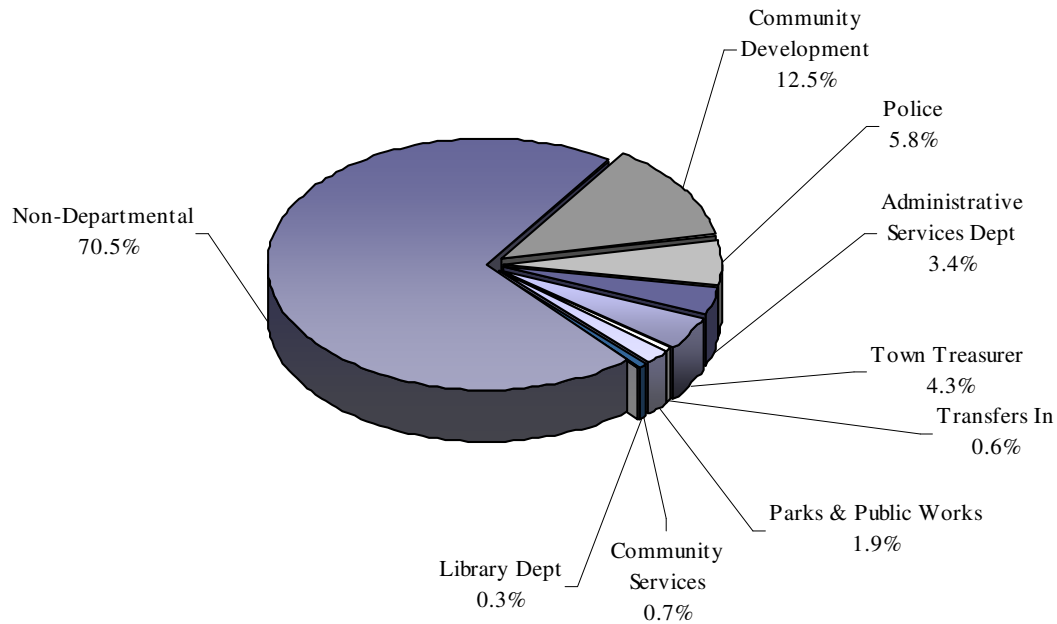
Salaries and Benefits – Salary and Benefit expenditures, equal to 42.9% of the total budget, reflect cost of living increases and some changes in the work force level.

Fixed Assets – Budgeted fixed asset costs stem primarily from scheduled vehicle and equipment replacements. The variance in expenditures from year to year does not impact current year charges to the departments, only the actual cash out to replace the asset.

Internal Service Charges – remains steady with stable budgeting of the funds. Internal services costs have been minimized where feasible, allowing rates to be adjusted downward to a level which reflects operating reimbursements.

Facilities Maintenance – reflects a slight reduction. While safety issues will be addressed, discretionary maintenance repairs and replacements will be held to a minimum.

GENERAL FUND REVENUES BY DEPARTMENT

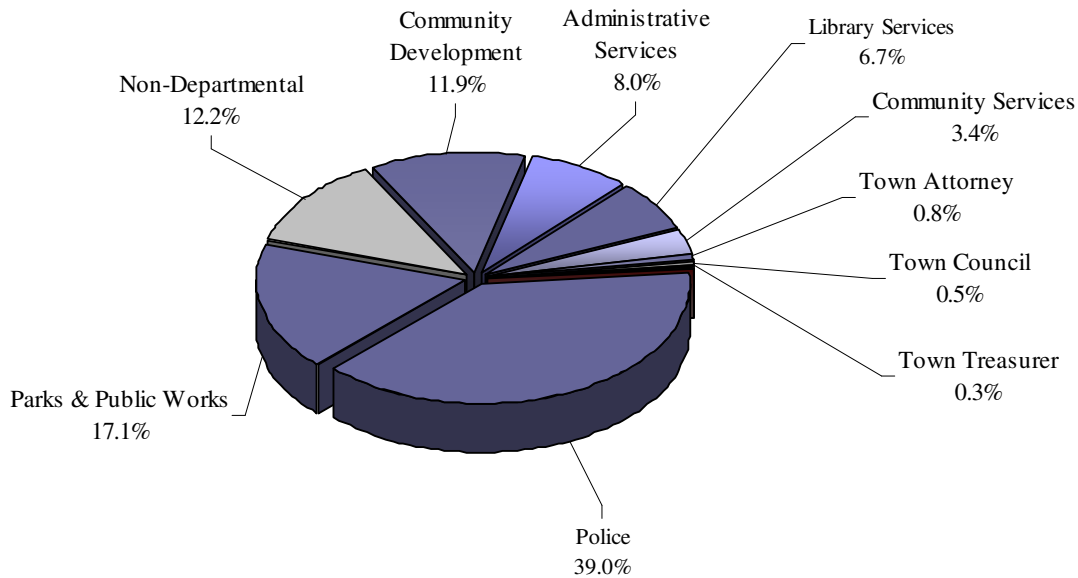


FY 2007/08 Departmental Revenues

Departments	2003/04 Actuals	2004/05 Actuals	2005/06 Actuals	2006/07 Adopted	2006/07 Estimated	2007/08 Adopted	% of Total
Town Treasurer	\$ (61,256)	\$ 768,204	\$ 1,250,001	\$ 1,055,700	\$ 1,555,700	\$ 1,348,300	4.3%
Non-Departmental	16,857,653	18,951,407	23,835,606	20,100,270	21,127,303	21,907,580	70.5%
Administrative Services	1,123,845	1,098,190	1,020,979	1,000,600	1,050,635	1,050,600	3.4%
Community Development	2,025,304	2,569,873	3,070,115	3,198,700	3,305,937	3,885,900	12.5%
Police Department	2,126,119	2,062,641	2,091,688	1,928,200	1,961,283	1,816,700	5.8%
Parks & Public Works	450,155	730,564	612,973	578,900	619,000	583,300	1.9%
Community Services	231,557	185,401	173,515	176,700	204,668	210,850	0.7%
Library Department	85,112	77,303	74,478	71,900	83,726	83,720	0.3%
Total General Fund Revenues	\$22,838,489	\$26,443,583	\$ 32,129,355	\$28,110,970	\$29,908,252	\$30,886,950	99.4%
Fund Transfers In:	1,018,322	312,381	430,839	221,850	119,730	184,110	0.6%
Net Operating Revenues	\$23,856,811	\$26,755,964	\$ 32,560,194	\$28,332,820	\$30,027,982	\$31,071,060	100.0%

* The Town Manager's Office, Human Resources, Finance & Administrative Services, Clerk Administration, Customer Service Center and Management Information Services Programs are all accounted for within the Administrative Services Department.

GENERAL FUND EXPENDITURES BY DEPARTMENT

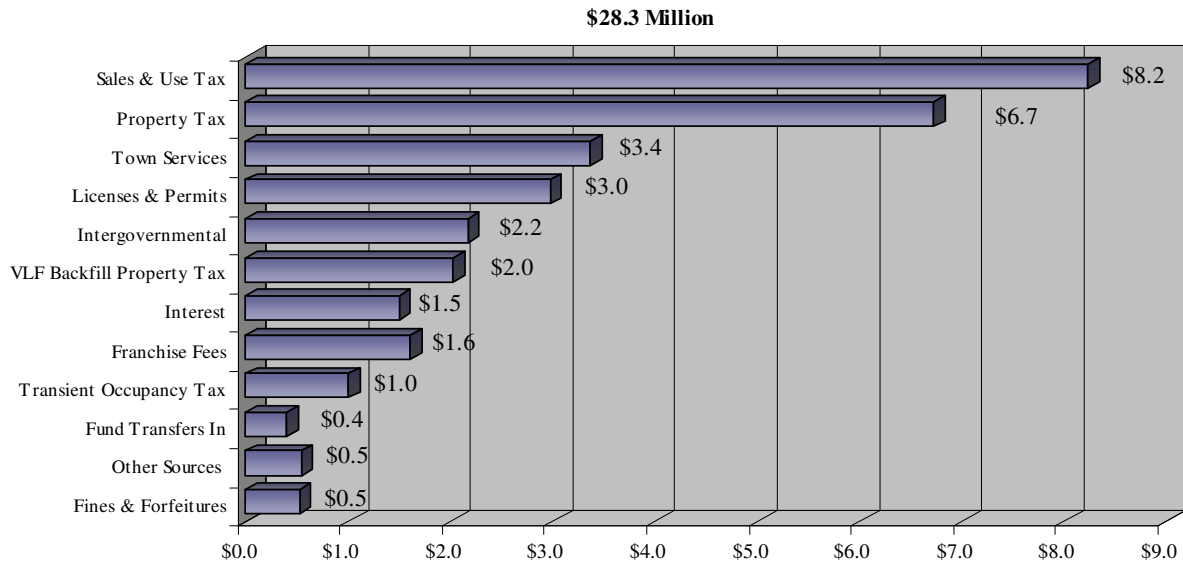


FY 2007/08 Departmental Expenditures

Departments	2003/04 Actuals	2004/05 Actuals	2005/06 Actuals	2006/07 Adopted	2006/07 Estimated	2007/08 Adopted	% of Total
Police Department	\$ 9,926,446	\$10,589,977	\$11,365,454	\$11,610,660	\$11,582,797	\$11,958,720	39.0%
Parks & Public Works	4,638,683	4,385,068	4,763,595	4,902,150	4,907,262	5,255,750	17.1%
Non-Departmental	1,918,358	2,372,207	2,247,681	3,082,370	3,002,043	3,756,060	12.2%
Community Development	2,263,191	2,547,748	2,915,491	3,231,500	2,934,152	3,656,585	11.9%
* Administrative Services	2,172,997	2,150,319	2,213,922	2,338,010	2,389,902	2,442,300	8.0%
Library Services	1,833,385	1,784,841	1,878,626	1,989,660	1,976,760	2,056,810	6.7%
Community Services	931,909	848,474	865,798	955,565	978,258	1,032,772	3.4%
Town Attorney	221,413	213,307	228,744	245,450	216,050	257,750	0.8%
Town Council	136,866	137,761	146,249	159,030	146,800	167,300	0.5%
Town Treasurer	76,668	82,756	75,184	98,150	101,950	106,650	0.3%
Clerk - Elected	-	-	2,336	2,100	2,300	2,200	0.0%
Total General Fund Exp	\$24,119,915	\$25,112,458	\$26,703,080	\$28,614,645	\$28,238,274	\$30,692,897	100.0%

* The Town Manager's Office, Human Resources, Finance & Administrative Services, and Clerk Administrator, Customer Service Center, and Management Information Services programs are all accounted for within the Administrative Services Department.

GENERAL FUND REVENUES BY CATEGORY



Revenue Category	2003/04 Actuals	2004/05 Actuals	2005/06 Actuals	2006/07 Adopted	2006/07 Estimated	2007/08 Adopted	2007/08 %
Sales & Use Tax	\$ 6,914,526	\$ 7,904,130	\$ 8,655,566	\$ 7,646,000	\$ 8,100,140	\$ 8,231,100	26.5%
Property Tax	5,207,381	5,302,061	5,831,822	6,369,900	6,469,440	6,727,220	21.7%
VLF Backfill Property Tax	-	-	1,923,378	1,879,500	1,990,550	2,030,360	6.5%
Franchise Fees	930,997	942,648	1,130,190	1,013,500	1,238,940	1,603,180	5.2%
Transient Occupancy Tax	829,026	868,908	1,028,664	930,000	1,000,000	1,000,000	3.2%
Other Taxes	13,929	11,876	19,810	10,000	12,000	10,000	0.0%
Licenses & Permits	2,031,387	2,417,193	2,611,108	2,537,500	2,632,832	2,970,400	9.6%
Intergovernmental	3,213,221	2,317,013	2,779,681	2,089,780	2,229,790	2,168,025	7.0%
Town Services	2,526,201	2,920,307	3,006,634	3,178,490	3,186,050	3,371,470	10.9%
Fines & Forfeitures	751,532	580,936	608,331	455,900	577,391	525,405	1.7%
Interest	37,407	905,704	1,407,265	1,205,700	1,705,700	1,498,300	4.8%
Other Sources	184,116	536,091	3,059,896	510,300	567,118	535,100	1.7%
Total Revenues	\$22,639,723	\$24,706,867	\$32,062,345	\$27,826,570	\$29,709,951	\$30,670,560	
Fund Transfers In:	1,217,087	494,165	497,848	506,250	318,031	400,500	1.3%
Total Revenues & Transfers In	\$23,856,810	\$25,201,032	\$32,560,193	\$28,332,820	\$30,027,982	\$31,071,060	100%

Overall, FY 2007/08 General Fund Revenues and Transfers In are estimated to increase 9.7% from the FY 2006/07 Adopted Budget. The FY 2007/08 Operating Revenues & Transfer In budget of \$31,071,060 is augmented with fund balance reserves. Reserve uses include \$525,000 from the Capital & Special Projects Reserve for CIP funding.

Sales Tax – While the Town only receives 1 cent of the 8.25 cents of sales tax paid per dollar of taxable sales generated in the Town, Sales and Use Tax remains one of the General Fund's largest revenue source, with the FY 2007/08 budget reflecting a 7.7% increase from the prior year's adopted budget amount. The continued success of one high performing local internet commerce retailer has generated sufficient additional revenues to not only prevent a decline in sales tax projections but to provide some growth. This growth in tax revenue is offset however, by a decrease in the automotive sales tax category, due to a loss of three auto dealerships in the past two years.

GENERAL FUND REVENUES BY CATEGORY

Property Tax –The Town’s second largest revenue source continues to have a positive growth trend as the Los Gatos real estate market remains strong, resulting in rising prices and a tax base which continues to increase with subsequent housing stock turnover. Comparing the forecast against the prior year’s adjusted budget a 4 % increase is forecasted for FY 2007/08. Tax receipts represent approximately 9.5 cents of each property tax dollar paid by Town property owners. The remaining 90.5 cents of each dollar is distributed to other taxing jurisdictions: local schools and community college districts (46.3 cents), ERAF I & II (11.7 cents), the County of Santa Clara (15.7 cents), Santa Clara County Central Fire Protection District (13.7 cents), and other special districts (totaling 3.1 cents) that serve the community.

Town Services - Reflects a growth of nearly \$192,900 from the prior years adopted budget, attributable to a combination of fee adjustments, pass through revenues, and staff projections of a steady volume of service activity from the prior year. Again this year, several engineering fees were examined and recommended for moderate revision to ensure fees provide for cost recovery based on the cost of the Town providing the services.

Licenses & Permits – Revenues, consisting of the business license tax and various development permits, are estimated at slightly higher than prior year levels. License and Permits revenues are estimated to increase by 17% due mainly to the application of deferred revenue received in prior years from several major developments. By deferring the revenue and recording it in the following year, the revenue is budgeted to match expenditure patterns associated with the timing of these developments. Annual fee increases are incorporated into budgeted revenues to more closely align fees with the current cost of Town services.

Intergovernmental Revenues – Includes various local, state, and federal grants and reimbursements for police, library, and general funding purposes. In past years, a primary intergovernmental funding source was the Vehicle in Lieu Fee revenues, but with the State’s triple flip program, two-thirds of this funding source was re-categorized as property tax revenue, and is reflected in decrease in Intergovernmental Revenues. Intergovernmental Revenues reflects an increase of 3.7 % due in large part to the negotiated increase for FY2007/08 police services between the Town and the City of Monte Sereno.

Interest Earnings – Are projected to increase by 24.3% over FY 2006/07 Adopted Budget due to increase in investment returns and the local Agency investment Fund (LAIF) rate. LAIF yields have risen to an average yield of 5.129 % in December 2006, from 3.808 % in December 2005, and from its record low of 1.42 % in May 2004.

Franchise Fees – Includes fees from PG&E for electricity and natural gas sales, garbage and AT&T for cable franchise fees. Franchise fees reflect a 58.2 % increase from the prior year. With the transition to the new garbage contract, the franchise fees effective for the new contract were established at 16% of the total cash receipts (former rate was 10%) which resulted in an estimated increase of \$530,000. This increase is offset by a \$330,000 decline in solid waste surcharge revenues which were eliminated in the new contract.

Transient Occupancy Tax – Estimates reflect increase in this revenue as personal and business related travel is gaining strength. This projection is supported by FY 2006/07’s actual collections running higher than budget.

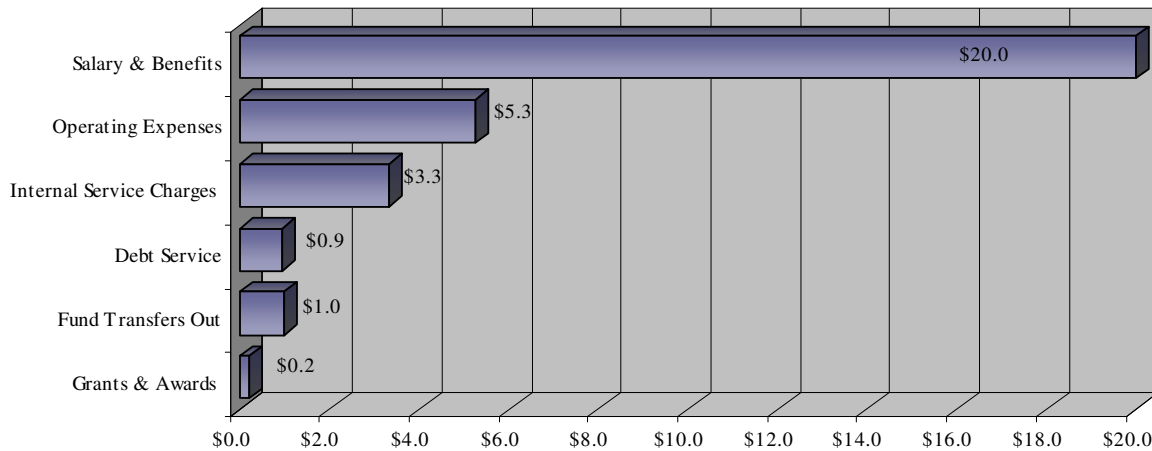
Fund Transfers – A reduction in projected fund transfers stems primarily from the reduction in subsidies required to be transferred to the Town’s parking funds as a result of anticipated parking citation revenues and a forecasted lower cost structure for parking enforcement services.

Other Sources – Budgeted revenues are expected to remain very similar to the previous year, and include rental income, miscellaneous cash sales, subpoena fees, various donations, and the \$300,000 in PERS self accrued liability funding to supplement the PERS increases.

Fines and Forfeitures – Includes library fines, administrative citations, and traffic fines which are expected to increase by \$69,500 with the majority of the increases due primarily to Traffic Safety and Parking Violation Fines.

GENERAL FUND EXPENDITURES BY CATEGORY

\$30.6 Million



Expenditure Category	2003/04 Actuals	2004/05 Actuals	2005/06 Actuals	2006/07 Adopted	2006/07 Estimated	2007/08 Adopted	2007/08 %
Salary & Benefits	\$16,055,093	\$16,959,579	\$18,088,938	\$19,128,600	\$18,736,022	\$20,002,380	65.2%
Operating Expenses	3,481,492	3,966,289	3,866,158	4,790,800	4,396,604	5,257,535	17.1%
Grants & Awards	186,431	177,578	176,282	181,415	185,615	200,522	0.7%
Internal Service Charges	3,141,607	2,820,426	2,904,563	3,123,200	3,194,700	3,312,300	10.8%
Debt Service	930,177	930,710	932,122	931,080	931,080	930,790	3.0%
Total Expenditures	\$23,846,148	\$24,854,582	\$26,160,406	\$28,155,095	\$27,458,937	\$29,703,527	
Fund Transfers Out:	273,770	257,876	542,673	459,550	779,337	989,370	3.2%
Total Exp & Transfers Out	\$24,119,918	\$25,112,458	\$26,703,079	\$28,614,645	\$28,238,274	\$30,692,897	100.0%

The FY 2007/08 General Fund Operating Budget represents a 7.2% increase of more than \$2.1 million from the net FY 2006/07 adopted operating expenditures of \$28,614,645. This increase is primarily a result of an \$874,000 increase in salaries and benefits, a \$663,700 total increase in other expenditures and a \$532,130 increase in transfers. The following describes categorical expenditures in more detail:

Salary & Benefits – Delivery of Town services are highly dependent on labor and comprise 65.4% of budgeted General Fund Expenditures for FY 2007/08. This equates to an expected 4.6% increase in labor and benefit costs, primarily due to cost of living increases. Rising labor cost trends remain a concern for future years, however. More detailed Salary & Benefit information is available in the *Summary of Personnel Changes* later in this section.

Operating Expenses – Many variables impact the operating expenditures such as supplies, materials, services, and consultant fees. The continual emphasis on containing costs while maintaining core services over the past several years has resulted in well planned reductions, while factors such as escalating energy costs (including fuel for police and public work vehicles, facility heating and cooling costs, electricity and water for town parks, streets, and facilities), rising intergovernmental fees, and general cost increases have greatly offset the reductions resulting in a 9.7% budget increase from the prior fiscal year's adopted budget.

Grants & Awards – For several years, the Town has provided General Fund grants and awards to local nonprofit organizations for human, art, and education services, support for local community television access, and to the Town's Chamber of Commerce. Grants and awards with local nonprofit organizations are maintained at prior year levels.

GENERAL FUND EXPENDITURES BY CATEGORY

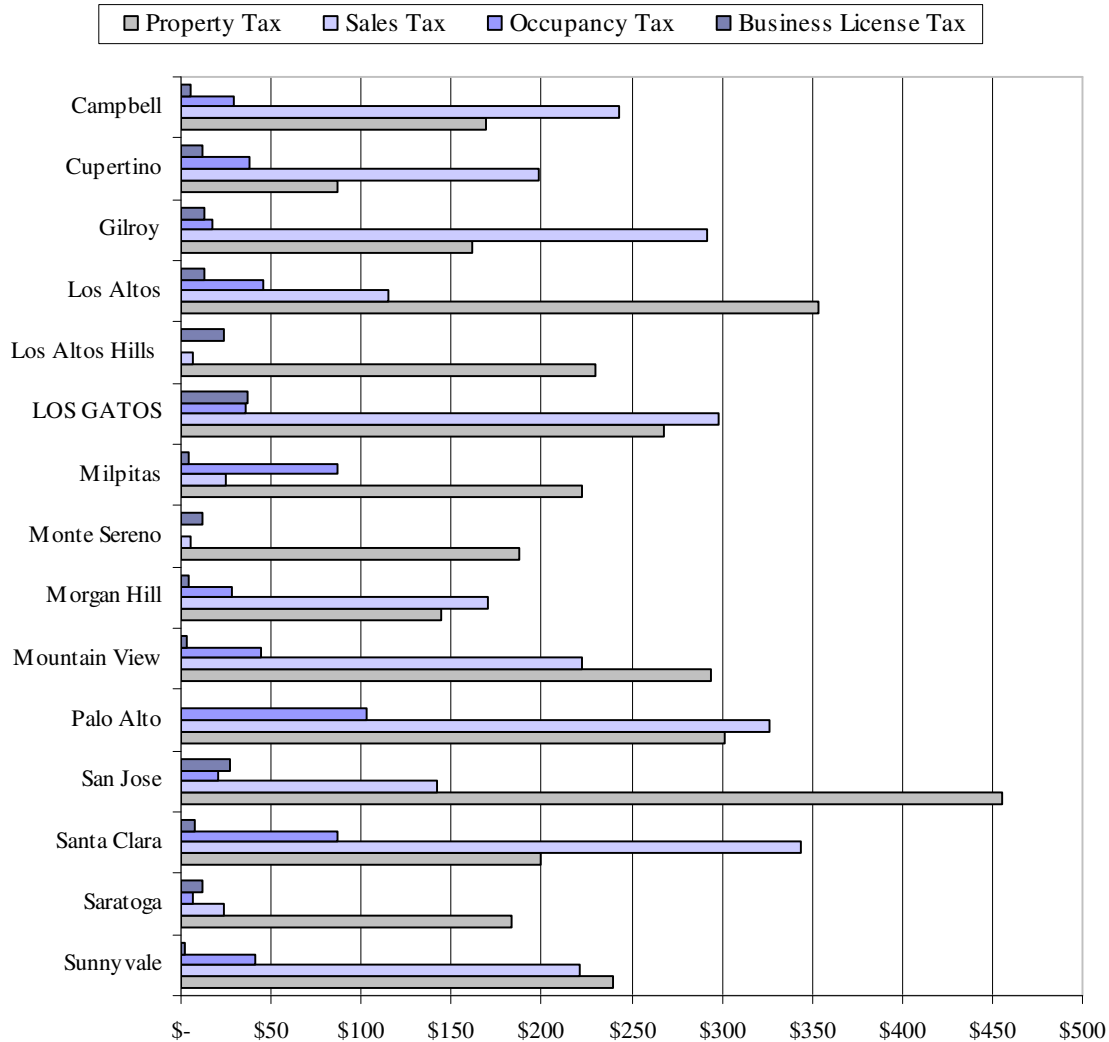
Fixed Assets – Fixed assets are defined as new equipment, vehicles, or furniture costing more than \$10,000 with an expected life span greater than 5 years. Replacement equipment, vehicles, and furniture are charged to programs through the internal service Equipment Replacement Fund program. Once an asset is purchased, replacement costs are charged over the course of the asset's life span. This allows for an even distribution of an asset's expense to the benefits derived.

Internal Service Charges – This expense represents the service program costs charged back to the operational programs for Workers Compensation Insurance, Liability Insurance, Office Equipment, Management Information Services, Vehicle Maintenance, and Building Maintenance services. With expenses for the most of the service programs remaining relatively steady, the rates charged to fund these various Internal Service Fund programs remain unchanged from the prior year

Debt Service – The Town facilitates the Redevelopment Agency's two Certificates of Participation Bond Issues (1994 and 2002) through a leasing expense and reimbursement revenue which nets to zero for the Town, while Agency funds provide the actual debt payment for the bond issues. The negligible change in Debt Service expense reflects minor fluctuations in the annual interest rate on the outstanding debt balance each year.

Transfers Out – The General Fund's transfer to the Capital Projects Fund increased to \$525,000 for FY 2007/08 in the annual appropriation to fund the CIP. Transfer to the Parking Management program for supplemental support from the General Fund was budgeted at \$184,260. Due to contract negotiation in FY 2006/07 the Solid Waste Fund no longer receives Solid Waste Management Surcharge. Program activity funding will continue to be funded from the Solid waste Fund with a supplemental \$280,110 transfer from the General Fund.

GENERAL FUND TAX REVENUES **CITIES OF SANTA CLARA COUNTY – TAX REVENUES PER CAPITA**

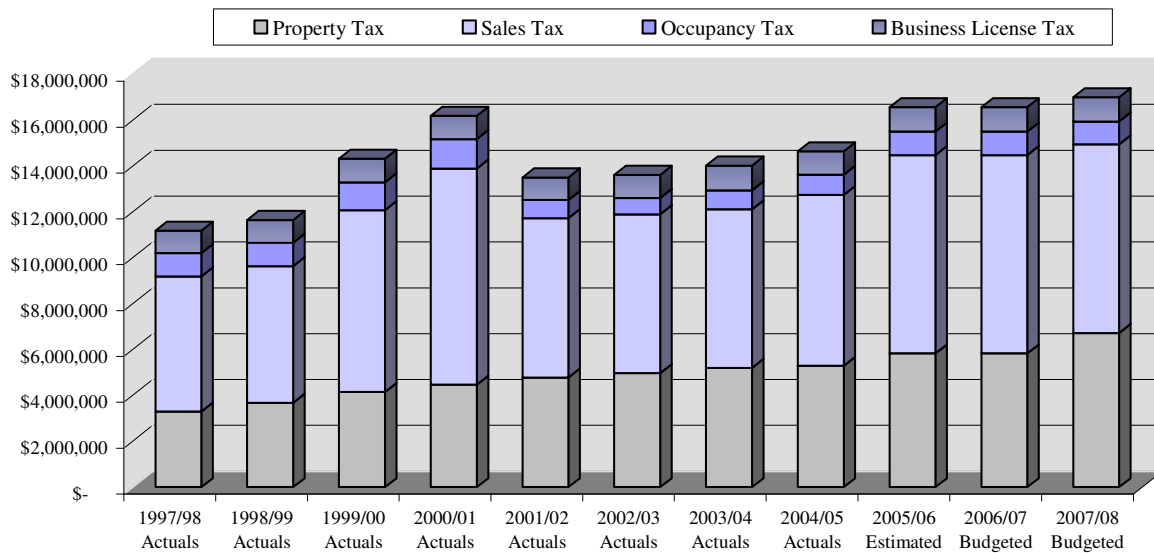


FY 2005/06 Tax Revenue Amounts and Per Capita *

Cities	Population	Property Tax		Sales Tax		Occupancy Tax		Business License Tax	
		Amount	Per Capita	Amount	Per Capita	Amount	Per Capita	Amount	Per Capita
Campbell	38,408	\$ 6,517,562	\$ 170	\$ 9,346,984	\$ 243	\$ 1,132,495	\$ 29	\$ 202,101	\$ 5
Cupertino	53,840	4,691,620	87	10,671,642	198	2,054,904	38	643,681	12
Gilroy	48,527	7,859,234	162	14,163,413	292	817,299	17	605,323	12
Los Altos	27,608	9,766,621	354	3,188,216	115	1,260,279	46	364,602	13
Los Altos Hills	8,482	1,950,233	230	55,696	7	-	-	205,569	24
LOS GATOS	28,989	5,831,822	201	8,655,566	299	1,028,664	35	1,058,642	37
Milpitas	65,276	14,548,284	223	1,622,788	25	5,669,231	87	280,663	4
Monte Sereno	3,800	712,762	188	22,248	6	-	-	43,457	11
Morgan Hill	36,423	5,234,589	144	6,183,959	170	1,029,837	28	162,022	4
Mountain View	71,995	21,135,000	294	16,019,000	223	3,177,000	44	217,000	3
Palo Alto	62,148	18,731,000	301	20,315,000	327	6,393,000	103	-	-
San Jose	954,000	434,604,000	456	136,031,000	143	19,214,000	20	26,039,442	27
Santa Clara	110,771	22,050,626	199	38,066,053	344	9,601,273	87	858,355	8
Saratoga	30,825	5,652,244	183	747,296	24	193,222	6	369,445	12
Sunnyvale	133,544	32,042,437	240	29,616,502	222	5,531,248	41	286,349	2
Average	111,642	\$ 39,421,869	\$ 353	\$ 19,647,024	\$ 176	\$ 3,806,830	\$ 34	\$ 2,089,110	\$ 19

* Latest fiscal year for which data is available

GENERAL FUND TAX REVENUES BUDGET WITH 10 YEAR HISTORY



Fiscal Year		Property Tax	Sales Tax	Occupancy Tax	Business License Tax	Sum of Key Revenues	Change from Prior Year
1997/98	Actuals	\$ 3,299,489	\$ 5,898,643	\$ 1,012,640	\$ 970,818	11,181,590	7.7%
1998/99	Actuals	\$ 3,687,843	\$ 5,952,597	\$ 1,025,042	\$ 986,299	11,651,781	4.2%
1999/00	Actuals	\$ 4,152,183	\$ 7,932,104	\$ 1,215,702	\$ 1,030,895	14,330,884	23.0%
2000/01	Actuals	\$ 4,472,583	\$ 9,429,256	\$ 1,286,276	\$ 1,003,928	16,192,044	13.0%
2001/02	Actuals	\$ 4,784,476	\$ 6,953,880	\$ 788,408	\$ 986,525	13,513,289	(16.5%)
2002/03	Actuals	\$ 4,977,119	\$ 6,928,817	\$ 713,064	\$ 1,003,014	13,622,014	0.8%
2003/04	Actuals	\$ 5,207,381	\$ 6,914,526	\$ 829,026	\$ 1,071,865	14,022,798	2.9%
2004/05	Actuals	\$ 5,302,061	\$ 7,904,130	\$ 868,908	\$ 1,015,000	15,090,099	10.8%
2005/06	Actuals	\$ 5,831,822	\$ 8,655,566	\$ 1,028,664	\$ 1,058,642	16,574,694	21.7%
2006/07	Estimated	\$ 6,469,440	\$ 8,100,140	\$ 1,000,000	\$ 1,050,000	16,619,580	22.0%
2007/08	Budgeted	\$ 6,727,220	\$ 8,231,100	\$ 1,000,000	\$ 1,050,000	17,008,320	21.3%

GENERAL FUND
FUND BALANCE ACTIVITY

Use of / Addition to GF Reserves:	Estimated July 1, 2007 Balance	Revenues & Fund Balance Sources	Expenditures & Fund Balance Uses	Estimated June 30, 2008 Balance
<i>Reserved Fund Balance</i>				
Reserve for Long Term Notes	\$ 478,873	\$ -	\$ -	\$ 478,873
Advance to RDA	1,500,000	-	-	1,500,000
Advance to Non-Point Source	-	-	-	-
<i>Unreserved Fund Balance</i>				
<i>Undesignated Reserves</i>				
Undesignated Fund Balance	-	31,071,060	31,071,060	-
<i>Designated Reserves</i>				
Civic Center Improvements	663,086	-	-	663,086
Manager's Contingency	100,000	-	-	100,000
Designated Productivity	100,000	-	-	100,000
Open Space Reserve	562,000	-	-	562,000
Designated for Parking	-	-	-	-
Economic Uncertainty Reserve	3,678,000	-	-	3,678,000
Capital / Special Projects	4,924,188	-	(73,419)	4,850,769
Authorized Carryovers	66,900	-	-	66,900
Revenue Stabilization Reserve	5,395,224	-	451,582	5,846,806
Sewer Assets Proceeds Reserve	2,438,660	-	-	2,438,660
Total Use of and Addition To Reserves	\$ 19,906,931	\$ 31,071,060	\$ 30,692,897	\$ 20,285,094

Fund Balance Activity includes:

- *FY 2007/08 Budgeted Revenue and Expenditure appropriations, and transfers to and from the General Fund..*
- *Authorized Carryovers reflect operating appropriations authorized in FY 2006/07 that are brought forward into FY 2007/08 appropriations as a funding source. The actual carryover amount will be determined at FY 2006/07 year-end, with funding offset by undesignated reserves.*
- *A reserve policy was established with the FY 2005/06 budget which equally distributes year-end undesignated fund balance between a Revenue Stabilization Reserve and the Designated for Capital Improvements and Special Projects Reserve. The Revenue Stabilization Reserve is a GFOA recommended reserve to provide governments with a funding source to offset revenue variations from year to year. This reserve will build up in years where revenues exceed expenditures, and will be utilized in years when revenues fall short. The remaining year-end undesignated fund balance will be allocated to the Designated for Capital Reserve to allow Council to appropriate for capital investments, projects, or purposes.*
- *The Designated for Capital & Special Projects Reserve reflects a \$73,419 use of fund balance which includes a transfer out to the Capital Improvement Program of \$525,000 and \$ 451,581 distribution in from undesignated fund balance.*
- *Undesignated Fund Balance is year-end fund balance not previously identified for a specific purpose, and is therefore available to reprogram as appropriations or designated reserves by Council. Current Town practice is to designate all year-end fund balance to the two above reserves, thereby eliminating undesignated fund balance.*

SCHEDULE OF INTERFUND TRANSFERS
FISCAL YEAR 2007/08

Fund Description	Estimated		Adopted Budget	
	2006/07 Transfers In	2006/07 Transfers Out	2007/08 Transfers In	2007/08 Transfers Out
<i>General Funds</i>				
General Fund	\$ 119,730	\$ 779,337	\$ 184,110	\$ 989,370
<i>Special Revenue Funds</i>				
Parking Management Fund	198,301		184,260	
Solid Waste Management	-	36,500	280,110	-
HCD Housing Rehabilitation				
HCD-Community Dev Block Grant		52,389		41,500
Urban Run-Off Program		22,310		23,190
Sewer Maintenance		-		-
<u>Landscape & Lighting Districts</u>				
Blackwell District		460		460
Kennedy Meadows District		1,510		1,510
Gemini Court District		610		610
Santa Rosa Heights District		660		660
Vasona Heights District		1,430		1,430
Hillbrook District		250		250
<i>Internal Service Funds</i>				
Equipment Fund		-		44,530
Management Information Systems		620,590		46,100
Facilities Maintenance Fund		188,732		25,000
<i>Capital Project Funds</i>				
GFAR	1,390,358		640,630	
Traffic Mitigation		(50,000)		50,000
Grant Funded CIP Projects	52,389		41,500	
Gas Tax - Street & Signal		106,000		106,000
<i>Redevelopment Agency Funds</i>				
RDA - Capital Project Funds	600,000		550,000	
RDA - Debt Service Fund	(2,065,690)		(2,026,800)	
RDA - Low / Moderate Housing	1,465,690		1,476,800	
Total Transfers	\$ 1,760,778	\$ 1,760,778	\$ 1,330,610	\$ 1,330,610

- Operating Transfers Out within the General Fund include \$184,260 funding to the Parking Management Program, \$525,000 to GFAR, and \$280,110 to the Solid Waste Fund.
- The CDBG Fund is transferring \$41,500 to the Grant Fund for ADA Projects.
- The remainder of the Transfers Out include: \$106,000 from the Gas Tax Fund, \$50,000 from Traffic Mitigation, \$28,110 Special Revenue Fund transfers representing administrative service fees to the Town for program oversight and \$115,630 of Internal Service Transfers.

FUND BALANCE ACTIVITY SUMMARY

FISCAL YEAR 2007/08

	7/1/07 Estimated Balance	Plus Revenues & Carryforwards	Plus Transfers In	Less Expenditures & Carryforwards	Less Transfers Out	Source & Use of Reserves	6/30/08 Estimated Balance	% Change in Balance
General Fund								
<u>Undesignated Reserves</u>								
Undesignated Fund Balance Activity	\$ -	30,670,560	400,500	29,703,527	989,370	\$ (378,163)	\$ -	
Total Fund Balance Available To Be Appropriated							\$ -	
<u>Designated Reserves</u>								
Civic Center Improvements	663,086	-	-	-	-	-	663,086	
Manager's Contingency	100,000	-	-	-	-	-	100,000	
Designated Productivity	100,000	-	-	-	-	-	100,000	
Open Space Reserve	562,000	-	-	-	-	-	562,000	
GASB Market Fluctuations	-	-	-	-	-	-	-	
Designated for Parking	-	-	-	-	-	-	-	
Economic Uncertainty Reserve	3,678,000	-	-	-	-	-	3,678,000	
Capital / Special Projects	4,924,188	-	-	-	-	(73,419)	4,850,769	
Authorized Carryovers	66,900	-	-	-	-	-	66,900	
Reserve for Long Term Notes	478,873	-	-	-	-	-	478,873	
Advance to RDA	1,500,000	-	-	-	-	-	1,500,000	
Advance to Non-Point Source	-	-	-	-	-	-	-	
Revenue Stabilization Reserve	5,395,224	-	-	-	-	451,582	5,846,806	
Sewer Assets Proceeds Reserve	2,438,660	-	-	-	-	-	2,438,660	
Total General Fund	\$ 19,906,931	\$ 30,670,560	\$ 400,500	\$ 29,703,527	\$ 989,370	\$ -	\$ 20,285,094	1.9%

General Fund Undesignated Reserves reflects ongoing revenue, carryforward, transfer, and expenditure activity, the net effect of the change in Designated Reserves, and the use of Undesignated Reserves.

General Fund Designated Reserve changes reflect: the Manager and Productivity Reserves utilized each year to fund unbudgeted appropriations deemed worthwhile (reserves are replenished at the end of the fiscal year as funding allows), a transfer from Capital and Special Projects Reserve to the Capital Improvement Program. Year-end excess of revenues over expenditures are programmed equally to the Designated for Capital and Special Projects Reserve and the Revenue Stabilization Reserves.

Special Revenue Funds

Solid Waste Fund	\$ 360,407	\$ 51,274	\$ 280,110	\$ 381,384	\$ -	\$ -	\$ 310,407	(13.9)%
Housing Conservation Program	1,071,274	52,000	-	240,000	-	-	883,274	(17.5)%
Community Dev Block Grant	5,060	106,254	-	87,404	41,500	-	(17,590)	n/a
Urban Run-Off Source Fund	114,841	172,010	-	157,750	23,190	-	105,911	(7.8)%
Blackwell Assessment District	2,512	3,200	-	2,760	460	-	2,492	(0.8)%
Kennedy Assessment District	2,824	10,295	-	6,550	1,510	-	5,059	79.1%
Gemini Assessment District	5,324	4,290	-	4,390	610	-	4,614	(13.3)%
Santa Rosa Assessment District	61,350	6,500	-	12,480	660	-	54,710	(10.8)%
Vasona Assessment District	5,656	9,835	-	7,060	1,430	-	7,001	23.8%
Hillbrook Assessment District	8,984	2,050	-	5,130	250	-	5,654	(37.1)%
Special Revenue Grants	30	-	-	-	-	-	30	n/a
Total Special Revenue Funds	\$ 1,638,261	\$ 417,708	\$ 280,110	\$ 904,908	\$ 69,610	\$ -	\$ 1,361,561	(16.9)%

Due to contract negotiation in FY 2006/07 the Solid Waste Fund no longer receives Solid Waste Management Surcharge. Program activity funding will continue to be funded from the Solid Waste Fund with a supplemental transfer from the General Fund.

The Housing Conservation Program includes a \$200,000 appropriation to Santa Clara County for use in administering the Home Rehabilitation Loan Program for Los Gatos Residents.

The Special Revenue Grants Fund Balance has no planned grant activity in FY 2007/08.

FUND BALANCE ACTIVITY SUMMARY

FISCAL YEAR 2006/07

	7/1/07 Estimated Balance	Plus Revenues & Carryforwards	Plus Transfers In	Less Expenditures & Carryforwards	Less Transfers Out	Source & Use of Reserves	6/30/08 Estimated Balance	% Change in Balance
Internal Service								
Equipment Replacement	\$ 3,018,812	\$ 385,000	\$ -	\$ 563,780	\$ 44,530	\$ -	\$ 2,795,502	(7.4)%
Designated for Gas Tax Assets	330,000	-	-	-	-	-	330,000	0.0%
Designated for NPS Equipment	149,631	29,100	-	-	-	-	178,731	19.4%
Worker's Comp Self Insurance	2,212,549	613,500	-	604,440	-	-	2,221,609	0.4%
ABAG Self Insurance	2,149,442	496,800	-	531,400	-	-	2,114,842	(1.6)%
Office Stores Fund	243,000	86,000	-	84,600	-	-	244,400	0.6%
Management Information Systems	2,071,336	925,530	-	1,335,700	46,100	-	1,615,066	(22.0)%
Vehicle Maintenance	182,430	611,600	-	597,050	-	-	196,980	8.0%
Facilities Maintenance	587,831	1,189,500	-	1,154,600	25,000	-	597,731	1.7%
Total Internal Service Reserves	\$ 10,945,032	\$ 4,337,030	\$ -	\$ 4,871,570	\$ 115,630	\$ -	\$ 10,294,862	(5.9)%

Equipment Replacement Fund Balance is the accumulation of replacement funding-to-date for assets. Revenues are the pro-rated annual charges to departments for asset replacement, and expenditures reflect the cost of equipment up for replacement in this fiscal year.

The Management Information Systems Fund reflects \$250,000 in appropriations for major technology projects. The Building Maintenance Fund has no major projects funded in FY 2007/08.

Trust & Agency								
Library Trust	\$ 26,603	\$ 18,900	\$ -	\$ 15,500	\$ -	\$ -	\$ 30,003	12.8%
Ness Trust Bequest	174,098	7,000	-	-	-	-	181,098	4.0%
Library History Project	12,066	3,950	-	15,700	-	-	316	
McClendon Trust	88,600	3,600	-	5,000	-	-	87,200	
Parking District #88	318,089	148,080	-	144,940	-	-	321,229	1.0%
Total Trust & Agency Reserves	\$ 619,456	\$ 181,530	\$ -	\$ 181,140	\$ -	\$ -	\$ 619,846	0.1%

Trust and Agency Fund Balances reflect minimal change.

Capital Project Funds								
GFAR	\$ 1,832,073	\$ 1,072,440	\$ 640,630	\$ 3,291,272	\$ -	\$ -	\$ 253,871	(86.1)%
GFAR - Designated for Parking	1,972,000	-	-	-	-	-	1,972,000	0.0%
Traffic Mitigation	120,051	50,000	-	-	50,000	-	120,051	0.0%
Grant Funded CIP Projects	(450)	3,133,074	41,500	3,174,574	-	-	(450)	0.0%
Storm Drain #1	160,491	56,020	-	-	-	-	216,511	34.9%
Storm Drain #2	363,045	59,520	-	-	-	-	422,565	16.4%
Storm Drain #3	(26,860)	16,930	-	-	-	-	(9,930)	(63.0)%
Construction Tax-Undergrounding	2,255,596	140,220	-	-	-	-	2,395,816	6.2%
Gas Tax	492,816	565,710	-	540,000	106,000	-	412,526	(16.3)%
Total Capital Projects Funds	\$ 7,168,763	\$ 5,093,914	\$ 682,130	\$ 7,005,846	\$ 156,000	\$ -	\$ 5,782,961	(19.3)%

GFAR, Grant Fund, Storm Drain Funds, and Gas Tax Fund Balances reflect the spending down of available funds in FY 2006/07, in line with the planned Capital Improvement Program. The GFAR and Grant Funds also include transfers-in to fund these planned projects.

Traffic Mitigation Fund reflects a transfer out of \$50,000 for estimated annual administration fees.

Grant Funded Projects Fund Balance reflects appropriations for incoming revenues and prior year carryforwards, which will result in either positive or negative fund balance depending on timing of receipts and budget. All grant projects net to zero at completion.

Redevelopment Agency								
RDA - Capital Project Funds	\$ 1,535,052	\$ 50,000	\$ 550,000	\$ 959,130	\$ -	\$ -	\$ 1,175,922	(23.4)%
RDA - Debt Service Fund	6,952,926	8,624,790	(2,026,800)	5,034,400	-	-	8,516,516	22.5%
RDA - Low / Moderate Housing	6,337,811	200,000	1,476,800	497,420	-	-	7,517,191	18.6%
Total Redevelopment Reserves	\$ 14,825,789	\$ 8,874,790	\$ -	\$ 6,490,950	\$ -	\$ -	\$ 17,209,629	16.1%

The significant decrease in the RDA Capital Projects Fund Balance results from the large amount of project work carried forward in appropriations.

The Low / Moderate Housing Fund Balance continues to increase in preparation for future projects. Some expenditures are planned for initial consultant project work.

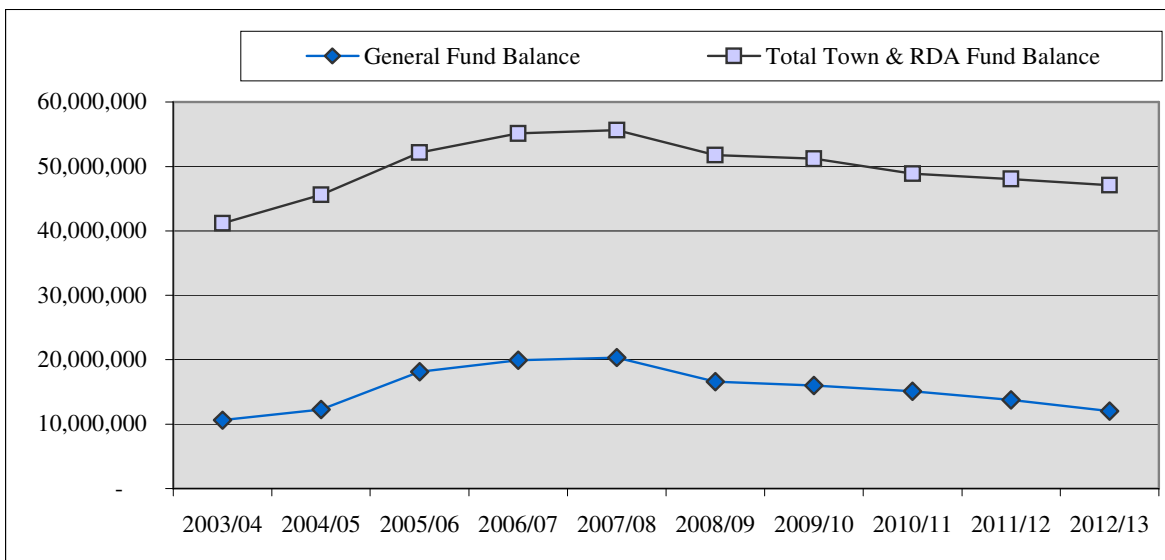
TOTAL RESERVES	\$ 55,104,232	\$ 49,575,532	\$ 1,362,740	\$ 49,157,941	\$ 1,330,610	\$ -	\$ 55,553,954	0.8%
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FUND BALANCE RESERVES 5 YEAR COMPARATIVE BALANCES

Fund Balance Reserves	6/30/2004 Actual YE Balance	6/30/2005 Actual YE Balance	6/30/2006 Actual YE Balance	6/30/2007 Estimated YE Balance	6/30/2008 Budgeted YE Balance
General Fund					
<i>Reserved Fund Balances</i>					
Reserve for Encumbrances	\$ -	\$ -	\$ -	\$ -	\$ -
Reserve for Long Term Notes	418,266	447,545	478,873	478,873	478,873
Advance to RDA	984,250	1,500,000	1,500,000	1,500,000	1,500,000
Advance to Non-Point Source	150,000	150,000	150,000	-	-
<i>Unreserved Fund Balances</i>					
<i>Undesignated Reserves</i>					
Available to be Appropriated	1,725,289	-	67,009	-	-
<i>Designated Reserves</i>					
Civic Center Improvements	663,086	663,086	663,086	663,086	663,086
Manager's Contingency	100,000	100,000	100,000	100,000	100,000
Designated Productivity	100,000	100,000	100,000	100,000	100,000
Open Space Reserve	562,000	562,000	562,000	562,000	562,000
Museum Upgrades	-	-	-	-	-
Animal Shelter Reserve	300,000	-	-	-	-
GASB Market Fluctuations	-	-	-	-	-
Designated for Parking	368,714	186,930	119,921	-	-
Economic Uncertainty Reserve	3,678,001	3,678,001	3,678,000	3,678,000	3,678,000
Capital / Special Projects	500,000	2,421,842	4,143,887	4,924,188	4,850,769
Authorized Carryovers	115,000	52,865	66,900	66,900	66,900
Designated for State ERAF III	952,000	476,000	-	-	-
Revenue Stabilization Reserve	-	1,921,842	4,048,887	5,395,224	5,846,806
Sanitary Sewer Buy Out	-	-	2,438,660	2,438,660	2,438,660
Total General Fund Reserves	\$ 10,616,606	\$ 12,260,111	\$ 18,117,223	\$ 19,906,931	\$ 20,285,094
Special Revenue Funds					
Solid Waste Fund	319,110	250,037	329,914	360,407	310,407
Housing Conservation Program	1,014,274	1,149,730	1,179,274	1,071,274	883,274
Community Dev Block Grant	723	-	-	5,060	(17,590)
Urban Run-Off Source Fund	170,020	154,127	111,241	114,841	105,911
Blackwell Assessment District	4,709	3,052	2,952	2,512	2,492
Kennedy Assessment District	7,169	10,671	14,079	2,824	5,059
Gemini Assessment District	5,208	4,749	5,804	5,324	4,614
Santa Rosa Assessment District	55,645	58,248	61,090	61,350	54,710
Vasona Assessment District	16,967	10,626	8,671	5,656	7,001
Hillbrook Assessment District	18,704	15,997	12,764	8,984	5,654
Arroyo Del Rancho	(26,677)	3,324	-	-	-
Special Revenue Grants	22,047	28,278	12,750	30	30
Total Special Revenue Funds	\$ 1,607,898	\$ 1,688,838	\$ 1,738,538	\$ 1,638,261	\$ 1,361,561
Internal Service					
Equipment Replacement	\$ 2,366,518	\$ 2,526,202	\$ 3,112,962	\$ 3,018,812	\$ 2,795,502
Designated for Gas Tax Assets	330,000	330,000	330,000	330,000	330,000
Designated for Sewer Equipment	362,279	396,078	-	-	-
Designated for NPS Equipment	209,930	239,030	120,531	149,631	178,731
Worker's Comp Self Insurance	1,719,089	1,817,055	2,190,557	2,212,549	2,221,609
ABAG Self Insurance	1,822,034	1,939,958	2,047,197	2,149,442	2,114,842
Office Stores Fund	218,253	230,219	242,110	243,000	244,400
Management Information Systems	2,225,582	2,401,732	2,580,869	2,071,336	1,615,066
Vehicle Maintenance	165,812	152,274	133,800	182,430	196,980
Facilities Maintenance	750,811	1,000,995	689,263	587,831	597,731
Total Internal Service Reserves	\$ 10,170,308	\$ 11,033,543	\$ 11,447,290	\$ 10,945,032	\$ 10,294,862

FUND BALANCE RESERVES 5 YEAR COMPARATIVE BALANCES

Fund Balance Reserves	6/30/2004 Actual YE Balance	6/30/2005 Actual YE Balance	6/30/2006 Actual YE Balance	6/30/2007 Estimated YE Balance	6/30/2008 Budgeted YE Balance
<i>Trust & Agency</i>					
Library Trust	\$ 90,458	\$ 82,292	\$ 21,203	\$ 26,603	\$ 30,003
Ness Trust Bequest	158,918	162,778	167,098	174,098	181,098
Library History Project	-	47,833	26,916	12,066	316
Betty McClendon Trust	-	-	90,000	88,600	87,200
Parking District #88	301,302	323,371	320,349	318,089	321,229
<i>Total Trust & Agency Reserves</i>	\$ 550,678	\$ 616,274	\$ 625,566	\$ 619,456	\$ 619,846
<i>Capital Project Funds</i>					
GFAR	\$ 2,030,601	\$ 1,840,638	\$ 1,860,123	1,832,073	253,871
GFAR - Designated for Parking	1,972,000	1,972,000	1,972,000	1,972,000	1,972,000
Traffic Mitigation	40,704	45,132	20,051	120,051	120,051
Grant Funded CIP Projects	35,403	(4,024)	(46,127)	(450)	(450)
Storm Drain #1	324,241	440,188	270,491	160,491	216,511
Storm Drain #2	289,312	498,008	307,195	363,045	422,565
Storm Drain #3	166,760	200,675	225,754	(26,860)	(9,930)
Construction Tax-Undergrounding	1,873,570	1,973,183	2,115,596	2,255,596	2,395,816
Gas Tax	498,239	929,546	567,816	492,816	412,526
<i>Total Capital Projects Funds</i>	\$ 7,230,831	\$ 7,895,347	\$ 7,292,900	\$ 7,168,763	\$ 5,782,961
<i>Redevelopment Agency</i>					
RDA - Capital Project Funds	\$ 3,500,385	\$ 3,320,273	\$ 2,432,912	\$ 1,535,052	\$ 1,175,922
RDA - Debt Service Fund	4,144,430	4,481,846	5,414,921	6,952,926	8,516,516
RDA - Low / Moderate Housing	3,356,099	4,335,193	5,111,259	6,337,811	7,517,191
<i>Total Redevelopment Reserves</i>	\$ 11,000,914	\$ 12,137,312	\$ 12,959,092	\$ 14,825,789	\$ 17,209,629
TOTAL RESERVES	\$ 41,177,235	\$ 45,631,424	\$ 52,180,609	\$ 55,104,232	\$ 55,553,954



Graphic representation of 10 Year General and Total Fund Balance History and 5 Year Trend Projection

DEPARTMENT REVENUES BY PROGRAM

	2003/04 Actuals	2004/05 Actuals	2005/06 Actuals	2006/07 Adopted	2006/07 Estimated	2007/08 Adopted
<i>Town Council</i>						
1010 Administration	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Town Council	\$ -	\$ -		\$ -	\$ -	\$ -
<i>Town Clerk</i>						
1055 Town Clerk	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Town Clerk	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<i>Town Treasurer</i>						
1077 Administration	\$ (61,256)	\$ 768,204	\$ 1,250,001	\$ 1,055,700	\$ 1,555,700	\$ 1,348,300
Total Town Treasurer	\$ (61,256)	\$ 768,204	\$ 1,250,001	\$ 1,055,700	\$ 1,555,700	\$ 1,348,300
<i>Town Attorney</i>						
1099 Administration	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
6620 ABAG - Self Insurance Fund	636,062	510,849	506,227	482,300	523,750	496,800
Total Town Attorney	\$ 636,062	\$ 510,849	\$ 506,227	\$ 482,300	\$ 523,750	\$ 496,800
<i>Administrative Services Department</i>						
1111 Non-Departmental	\$ 17,875,975	\$ 19,263,788	\$ 24,266,445	\$ 20,322,120	\$ 21,247,033	\$ 22,091,690
2010 Town Manager Administration	-	-	-	-	-	-
2030 Human Resources	-	-	-	-	-	-
2050 Finance & Administrative Services	1,042,648	1,057,493	1,019,979	1,000,600	1,050,635	1,050,600
2060 Town Clerk	81,197	40,697	1,000	-	-	-
2065 Customer Service Center	-	-	-	-	-	-
6610 Workers' Compensation Fund	498,308	587,281	634,178	595,700	595,025	613,500
6680 Office Stores Fund	117,466	89,551	84,593	86,000	79,890	86,000
6685 Management Information Systems	832,881	831,813	822,041	838,200	851,000	925,530
7724 Parking Assessment District	157,352	170,363	144,530	147,740	144,240	148,080
Total Administrative Services	\$ 20,605,827	\$ 22,040,986	\$ 26,972,766	\$ 22,990,360	\$ 23,967,823	\$ 24,915,400
<i>Community Development</i>						
3110 Administration	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
3120 Developmental Review	601,296	600,538	679,282	652,900	768,250	670,500
3130 Code Compliance	-	-	400	1,000	-	1,000
3140 Inspection Services	1,060,872	1,426,758	1,703,037	1,728,800	1,866,612	2,223,800
3150 Advanced Planning	47,932	52,693	48,858	36,000	49,075	37,100
3199 Pass Thru Accounts	315,204	489,884	638,538	780,000	622,000	953,500
Total Community Development	\$ 2,025,304	\$ 2,569,873	\$ 3,070,115	\$ 3,198,700	\$ 3,305,937	\$ 3,885,900
<i>Police Department</i>						
4010 Administration	\$ -	\$ -	\$ 4,900	\$ -	\$ -	\$ -
4020 Records & Communication	25,553	53,638	23,275	19,000	18,600	18,600
4030 Patrol	494,952	550,251	504,152	501,500	542,765	515,200
4040 Investigations	147,985	156,359	122,921	92,100	52,210	6,000
4050 Traffic	301,724	301,491	332,555	333,600	404,807	408,340
4060 Personnel & Community Services	390,026	382,386	393,246	295,000	296,000	290,700
4099 Pass Thru Accounts	-	-	197,719	26,000	22,000	22,000
2207 Parking Management Program	765,879	618,516	512,920	661,000	624,901	555,860
270 Grants Program - Police	22,801	21,942	-	-	9,556	-
Total Police Department	\$ 2,148,920	\$ 2,084,583	\$ 2,091,688	\$ 1,928,200	\$ 1,970,839	\$ 1,816,700

DEPARTMENT REVENUES BY PROGRAM

	2003/04 Actuals	2004/05 Actuals	2005/06 Actuals	2006/07 Adopted	2006/07 Estimated	2007/08 Adopted
<i>Parks & Public Works</i>						
5010 Administration	\$ 19,188	\$ -	\$ -	\$ -	\$ -	\$ -
5020 Park Services	105,089	125,574	159,726	137,600	141,600	151,400
5030 Engineering Development Svcs	235,958	509,291	349,568	366,000	314,000	315,000
5035 Engineering Program Services	-	-	-	-	-	-
5050 Streets / Signals / Sidewalks	630	1,584	46,029	5,000	43,400	4,900
5099 Pass Thru Accounts	89,290	94,115	57,650	70,300	120,000	112,000
2220 Non-Point Source Fund	169,955	158,570	176,333	174,060	174,060	172,010
2230 Sewer Maintenance Fund	590,316	576,420	133,342	-	-	-
225x Lighting & Landscape Districts	39,381	78,200	39,672	35,950	36,520	36,170
4400 GFAR	594,170	273,859	1,024,851	1,894,930	1,984,929	938,070
4405 Traffic Mitigation	-	70,000	180,000	275,000	50,000	50,000
4410 Grant Funded CIP Projects	588,097	306,583	183,304	4,539,262	1,645,679	313,670
4461 Storm Drain #1	50,595	136,147	45,303	59,000	55,000	56,020
4462 Storm Drain #2	48,467	208,696	209,187	52,400	70,000	59,520
4463 Storm Drain #3	25,221	33,915	32,465	19,400	15,000	16,930
4474 Utility Undergrounding	103,886	99,613	142,413	95,000	140,000	140,220
4480 Gas Tax - Street & Signals	567,889	571,551	554,571	562,700	571,000	565,710
4482 Traffic Congestion Relief	-	-	-	-	-	-
6601 Equipment Replacement	484,750	452,915	403,370	362,730	357,700	414,100
6690 Vehicle Maintenance	515,090	466,366	501,765	597,800	597,800	611,600
6695 Facilities Maintenance	1,096,212	1,001,223	1,007,454	1,119,300	1,151,750	1,189,500
270 PPW Department Grants	25,510	-	2,510	-	-	-
Total Parks & Public Works	\$ 5,349,695	\$ 5,164,622	\$ 5,249,513	\$ 10,366,432	\$ 7,468,438	\$ 5,146,820
<i>Community Services</i>						
8010 Administration	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
8020 Neighborhood Center	38,199	43,741	35,247	19,000	20,800	21,000
8030 Housing Program	157,159	115,682	97,021	117,900	139,550	142,750
8040 Community Grants	-	-	-	-	-	-
8070 Arts & Culture	36,199	22,652	38,568	36,000	41,000	41,000
8099 Pass Thru Accounts	-	3,326	2,679	3,800	3,318	6,100
2210 Solid Waste Fund	150,981	162,982	388,497	381,595	301,345	331,384
2218 HCD Housing Rehab	109,369	167,530	57,530	27,000	54,000	52,000
2219 Comm. Development Block Grant	124,805	133,518	179,264	162,310	126,493	106,254
Total Community Services	\$ 616,711	\$ 649,430	\$ 798,805	\$ 747,605	\$ 686,506	\$ 700,488
<i>Library</i>						
8510 Administration	\$ 23,596	\$ 19,042	\$ 14,493	\$ 14,900	\$ 20,711	\$ 20,720
8520 Adult Services	-	-	-	-	-	-
8530 Children's Services	-	-	-	-	-	-
8540 Technical Services	4,014	3,646	3,015	3,000	3,167	3,000
8550 Circulation Services	57,502	54,615	56,970	54,000	59,848	60,000
7710 Library Trust	99,367	25,290	46,606	18,800	18,900	18,900
7711 Clelles Ness Bequest Trust	3,500	3,860	4,320	4,500	7,000	7,000
7712 Library History Project	-	75,626	13,525	3,700	3,950	3,950
7713 Betty McClendon Trust	-	-	-	2,700	3,600	3,600
Total Library	\$ 187,979	\$ 182,079	\$ 138,929	\$ 101,600	\$ 117,176	\$ 117,170
<i>Redevelopment Agency</i>						
9930 Capital Projects Fund	\$ 93,489	\$ 589,457	\$ 595,589	\$ 50,000	\$ 639,000	\$ 600,000
9950 Debt Service	4,329,626	4,422,889	5,524,806	5,494,780	6,509,844	6,597,990
9960 Low / Moderate Housing	946,082	1,187,461	1,156,692	1,197,430	1,665,690	1,676,800
Total Redevelopment Agency	\$ 5,369,197	\$ 6,199,807	\$ 7,277,087	\$ 6,742,210	\$ 8,814,534	\$ 8,874,790
Carryforward of CIP Grant Revenue						3,635,904
Total Revenues by Department:	\$ 36,878,439	\$ 40,170,433	\$47,355,131	\$ 47,613,108	\$48,410,704	\$50,938,272

DEPARTMENTAL EXPENDITURES BY PROGRAM

	2003/04 Actuals	2004/05 Actuals	2005/06 Actuals	2006/07 Adopted	2006/07 Estimated	2007/08 Adopted
<i>Town Council</i>						
1010 Administration	\$ 136,866	\$ 137,761	\$ 146,249	\$ 159,030	\$ 146,800	\$ 167,300
Total Town Council	\$ 136,866	\$ 137,761	\$ 146,249	\$ 159,030	\$ 146,800	\$ 167,300
<i>Town Clerk</i>						
1010 Administration	\$ -	\$ -	\$ 2,336	\$ 2,100	\$ 2,300	\$ 2,200
Total Town Clerk	\$ -	\$ -	\$ 2,336	\$ 2,100	\$ 2,300	\$ 2,200
<i>Town Treasurer</i>						
1077 Administration	\$ 76,668	\$ 82,756	\$ 75,184	\$ 98,150	\$ 101,950	\$ 106,650
Total Town Treasurer	\$ 76,668	\$ 82,756	\$ 75,184	\$ 98,150	\$ 101,950	\$ 106,650
<i>Town Attorney</i>						
1099 Administration	\$ 221,413	\$ 213,307	\$ 228,744	\$ 245,450	\$ 216,050	\$ 257,750
6620 ABAG - Self Insurance Fund	819,733	392,924	398,988	496,100	421,505	531,400
Total Town Attorney	\$ 1,041,146	\$ 606,231	\$ 627,732	\$ 741,550	\$ 637,555	\$ 789,150
<i>Administrative Services Department</i>						
1111 Non-Departmental	\$ 1,644,588	\$ 2,114,331	\$ 1,705,007	\$ 2,622,820	\$ 2,237,706	\$ 2,766,690
2010 Town Manager Administration	366,081	366,168	423,225	446,500	444,200	447,500
2030 Human Resources	487,579	500,735	500,024	561,060	593,357	611,350
2050 Finance & Administrative Services	986,152	967,541	984,601	1,020,500	1,075,465	1,090,500
2060 Town Clerk	333,185	315,875	219,900	216,200	213,180	232,400
2065 Customer Service Center	-	-	86,172	93,750	63,700	60,550
6610 Workers' Compensation Fund	651,762	489,316	260,675	600,540	573,033	604,440
6680 Office Stores Fund	93,965	77,585	72,702	83,350	79,000	84,600
6685 Management Information Systems	503,099	655,663	642,904	1,178,470	739,943	1,335,700
7724 Parking Assessment District	148,629	148,294	147,552	146,500	146,500	144,940
Total Administrative Services	\$ 5,215,040	\$ 5,635,507	\$ 5,042,762	\$ 6,969,690	\$ 6,166,084	\$ 7,378,670
<i>Community Development</i>						
3110 Administration	\$ 155,169	\$ 73,914	\$ 101,410	\$ 107,470	\$ 104,568	\$ 116,410
3120 Developmental Review	677,492	436,097	766,973	860,400	787,503	965,500
3130 Code Compliance	141,906	63,595	95,008	103,350	98,690	106,825
3140 Inspection Services	731,818	1,352,126	1,163,216	1,223,650	1,159,886	1,350,400
3150 Advanced Planning	243,913	132,603	150,967	156,630	146,505	163,950
3199 Pass Thru Accounts	312,893	489,413	637,917	780,000	622,000	953,500
Total Community Development	\$ 2,263,191	\$ 2,547,748	\$ 2,915,491	\$ 3,231,500	\$ 2,919,152	\$ 3,656,585
<i>Police Department</i>						
4010 Administration	\$ 382,152	\$ 412,498	\$ 456,492	\$ 476,050	\$ 486,200	\$ 489,500
4020 Records & Communication	1,284,650	1,196,270	1,266,632	1,304,420	1,410,216	1,411,610
4030 Patrol	4,313,355	5,168,933	5,523,215	5,836,800	5,725,792	6,173,800
4040 Investigations	1,677,095	1,890,321	1,984,696	2,072,870	2,028,227	1,985,210
4050 Traffic	854,542	668,484	739,176	705,170	772,861	743,840
4060 Personnel & Community Services	648,773	634,955	683,054	528,350	512,600	576,900
4099 Pass Thru Accounts	-	-	199,269	26,000	22,000	22,000
2207 Parking Management Program	765,879	618,516	512,920	661,000	624,901	555,860
2270 Police Department Grants	127,626	15,710	15,529	12,719	22,275	-
Total Police Department	\$ 10,054,072	\$ 10,605,688	\$11,380,983	\$ 11,623,379	\$11,605,072	\$ 11,958,720

DEPARTMENTAL EXPENDITURES **BY PROGRAM**

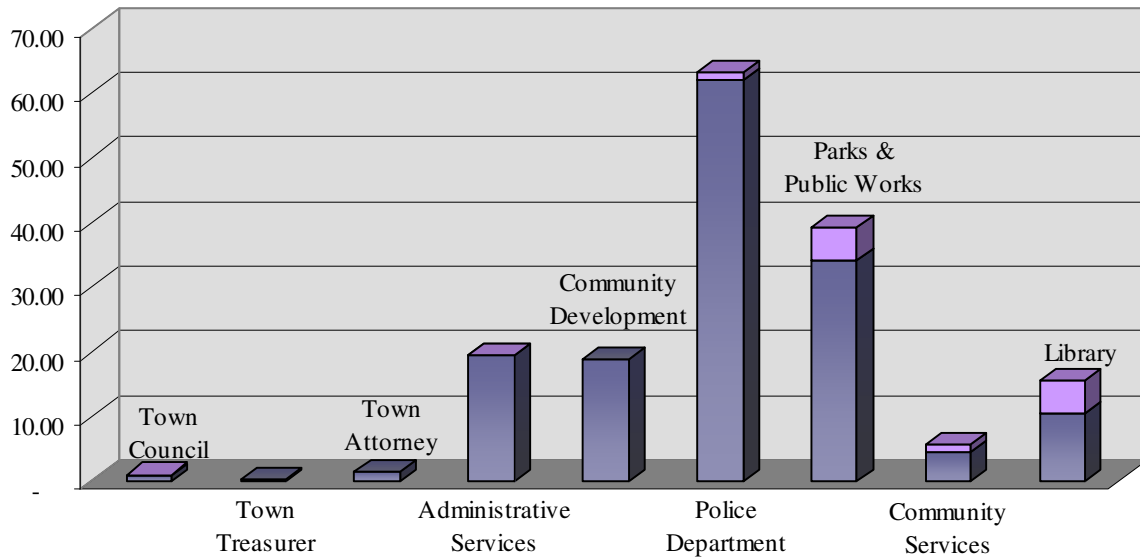
	2003/04 Actuals	2004/05 Actuals	2005/06 Actuals	2006/07 Adopted	2006/07 Estimated	2007/08 Adopted
<i>Parks & Public Works</i>						
5010 Administration	\$ 283,834	\$ 268,050	\$ 292,551	\$ 284,100	\$ 261,780	\$ 298,140
5020 Park Services	1,861,944	1,776,633	1,901,432	1,841,450	1,819,442	1,913,720
5030 Engineering Development Svcs	1,082,327	1,038,914	1,080,269	609,650	628,740	699,840
5035 Engineering Program Services	-	-	-	627,750	591,660	722,910
5050 Streets / Signals / Sidewalks	1,320,783	1,209,535	1,431,644	1,468,900	1,485,640	1,509,140
5099 Pass Thru Accounts	89,795	91,936	57,699	70,300	120,000	112,000
2220 Urban Run-Off Program Fund	183,148	148,733	186,889	151,750	148,150	157,750
2230 Sewer Maintenance Fund	503,256	491,410	113,992	-	-	-
225x Lighting & Landscape Districts	43,503	46,840	31,236	51,310	50,310	38,370
4400 GFAR	2,776,178	463,822	1,005,366	3,062,243	2,012,979	1,519,200
4405 Traffic Mitigation	-	-	-	-	-	-
4410 Grant Funded CIP Projects	403,699	346,010	188,877	4,493,586	1,636,532	313,670
4461 Storm Drain #1	106,725	20,200	215,000	50,000	165,000	-
4462 Storm Drain #2	-	-	400,000	-	14,150	-
4463 Storm Drain #3	-	-	7,386	192,614	267,614	-
4474 Utility Undergrounding	-	-	-	-	-	-
4480 Gas Tax - Street & Signals	531,024	34,244	810,301	540,000	540,000	540,000
4482 Traffic Congestion Relief	-	-	-	-	-	-
6601 Equipment Replacement	20,794	230,332	201,187	550,500	422,750	563,780
6690 Vehicle Maintenance	416,871	479,904	520,239	597,600	549,170	597,050
6695 Facilities Maintenance	838,363	751,039	1,302,736	1,118,900	1,064,450	1,154,600
2270 PPW Department Grants	(5,754)	-	2,510	-	-	-
Total Parks & Public Works	\$ 10,456,489	\$ 7,397,603	\$ 9,749,314	\$ 15,710,653	\$11,778,367	\$ 10,140,170
<i>Community Services</i>						
8010 Administration	\$ 145,220	\$ 144,300	\$ 141,311	\$ 150,700	\$ 151,500	\$ 154,600
8020 Neighborhood Center	399,522	401,862	395,328	455,500	444,300	493,300
8030 Housing Program	139,558	108,328	101,017	117,900	144,745	142,750
8040 Community Grants	190,525	149,804	150,156	151,915	156,315	153,522
8070 Arts & Culture	57,084	40,854	75,307	75,750	78,080	82,500
8099 Pass Thru Accounts	-	3,326	2,679	3,800	3,318	6,100
2210 Solid Waste Fund	160,405	208,403	250,285	336,612	234,352	381,384
2218 HCD Housing Rehab	269,888	32,073	27,985	227,000	162,000	240,000
2219 Comm. Development Block Grant	73,482	71,472	85,305	109,921	69,044	87,404
Total Community Services	\$ 1,435,683	\$ 1,160,423	\$ 1,229,373	\$ 1,629,098	\$ 1,443,654	\$ 1,741,560
<i>Library</i>						
8510 Administration	\$ 219,661	\$ 217,684	\$ 254,699	\$ 261,660	\$ 251,460	\$ 301,550
8520 Adult Services	464,002	494,219	510,559	572,980	583,380	561,080
8530 Children's Services	378,944	362,092	389,452	421,180	413,180	433,380
8540 Technical Services	264,147	231,427	240,586	219,940	219,640	223,000
8550 Circulation Services	506,631	479,419	483,330	513,900	509,100	537,800
7710 Library Trust	53,218	33,456	17,695	16,000	13,500	15,500
7711 Clelles Ness Bequest Trust	-	-	-	-	-	-
7712 Library History Project	-	27,793	34,442	25,900	18,800	15,700
7713 Betty McClendon Trust	-	-	-	5,000	5,000	5,000
Total Library	\$ 1,886,603	\$ 1,846,090	\$ 1,930,763	\$ 2,036,560	\$ 2,014,060	\$ 2,093,010
<i>Redevelopment Agency</i>						
9930 Capital Projects Fund	\$ 2,800,516	\$ 769,569	\$ 1,482,950	\$ 1,847,533	\$ 1,536,860	\$ 704,637
9950 Debt Service	3,735,768	4,085,474	4,591,731	4,224,800	4,971,839	5,034,400
9960 Low / Moderate Housing	241,916	208,367	380,626	451,050	439,138	497,420
Total Redevelopment Agency	\$ 6,778,200	\$ 5,063,409	\$ 6,455,307	\$ 6,523,383	\$ 6,947,837	\$ 6,236,457
Total Operating Expenditures	\$ 39,343,958	\$ 35,083,216	\$39,555,494	\$ 48,725,093	\$43,762,831	\$ 44,270,472
Plus Transfers Out	1,352,382	633,025	1,213,922	1,368,789	1,760,778	1,330,610
Carryforward CIP Projects						\$ 4,887,469
Total Expenditures by Department:	\$ 40,696,340	\$ 35,716,241	\$40,769,416	\$ 50,093,882	\$45,523,609	\$ 50,488,551

SUMMARY OF POSITIONS DEPARTMENTAL STAFF BY FUND

	<u>Authorized Positions</u>	<u>2003/04 Funded</u>	<u>2004/05 Funded</u>	<u>2005/06 Funded</u>	<u>2006/07 Funded</u>	<u>2007/08 Funded</u>
<i>General Fund</i>						
Town Council	0.85	0.85	0.85	0.85	0.85	0.85
Town Treasurer	0.25	0.25	0.25	0.25	0.25	0.25
Town Attorney	1.80	0.95	1.00	0.85	0.85	0.80
Administrative Services	17.05	17.40	15.90	14.00	14.80	14.50
Community Development	19.35	17.40	17.90	17.95	17.95	17.95
Police Department	64.30	61.00	59.50	58.00	57.30	57.30
Parks & Public Works	34.35	31.30	26.96	27.05	27.58	27.85
Community Services	4.85	3.70	3.65	3.60	3.60	3.90
Library	10.85	10.75	11.10	10.35	10.35	10.35
<i>Total General Fund Staff</i>	153.65	143.60	137.11	132.90	133.53	133.75
<i>Special Revenue Funds</i>						
Administrative Services	0.10	0.20	0.20	0.20	0.20	0.10
Police Department	5.70	8.00	5.50	4.00	4.70	3.70
Parks & Public Works	2.42	6.55	5.74	5.74	1.72	1.72
Community Services	1.35	0.55	0.60	0.60	0.60	1.30
<i>Total Special Revenue Fund Staff</i>	9.57	15.30	12.04	10.54	7.22	6.82
<i>Internal Service Funds</i>						
Town Attorney	0.55	0.80	0.50	0.45	0.45	0.55
Administrative Services	3.65	3.65	3.65	3.55	3.55	3.65
Parks & Public Works	5.23	3.15	3.55	3.55	4.43	4.43
<i>Total Internal Services Funds Staff</i>	9.43	7.60	7.70	7.55	8.43	8.63
<i>Redevelopment Agency</i>						
Administrative Services	0.80	-	-	0.80	0.80	0.80
Community Development	0.85	1.20	1.70	0.85	0.85	0.85
Police Department	-	-	0.30	-	-	-
Parks & Public Works	-	-	0.75	0.66	0.27	-
Community Services	0.05	-	-	0.05	0.05	0.05
<i>Total Redevelopment Agency Staff</i>	1.70	1.20	2.75	2.36	1.97	1.70
Total Town FTEs	174.35	167.70	159.60	153.35	151.15	150.90
FY Defunded Positions		14.55	22.90	24.30	23.70	23.45
Total Authorized Positions		182.25	182.50	177.65	174.85	174.35

Administrative Services Department staffing numbers include the following programs: Town Manager's Office; Human Resources; Finance & Administrative Services; Clerk Administration; Customer Service Center; and Management Information Services

SUMMARY OF POSITIONS BUDGETED FTEs BY DEPARTMENT



*Blue Bar Shading – Town Staff
Purple Bar Shading – Hourly Employees*

FY 2007/08 Budgeted FTEs by Department (Includes Converted Hourly Employees)

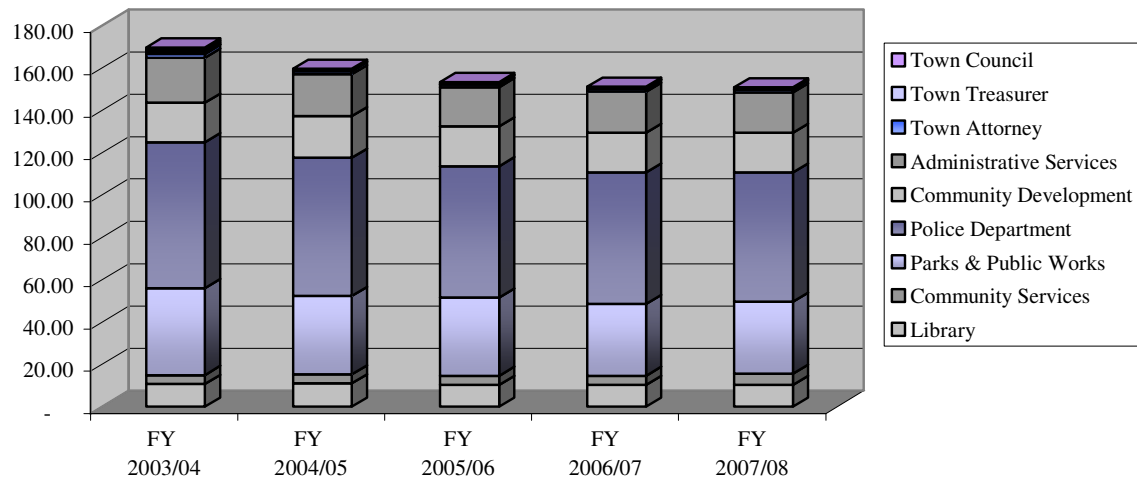
Departments	Authorized Town Staff Positions	Funded Town Staff Positions	Hourly Emp Staff converted to FTEs	Total Budgeted Positions
Town Council	0.85	0.85	0.08	0.93
Town Treasurer	0.25	0.25	-	0.25
Town Attorney	2.35	1.35	-	1.35
Administrative Services	21.60	19.05	0.20	19.25
Community Development	20.20	18.80	0.06	18.86
Police Department	70.00	61.00	1.75	62.75
Parks & Public Works	42.00	34.00	4.21	38.21
Community Services	6.25	5.25	0.23	5.48
Library	10.85	10.35	4.85	15.20
Total Positions	174.35	150.90	11.39	162.29

Administrative Services Department staffing numbers include the following six programs: Town Manager's Office; Human Resources; Finance & Administrative Services; Clerk Administration; Customer Service Center; and Management Information Services.

Hourly Employee positions result from seasonal, temporary, and part-time labor needs.

SUMMARY OF POSITIONS FUNDED FTEs BY DEPARTMENT

Five Year Staffing Trend



FY 2003/04 – FY 2007/08 Five Year Funded and Authorized Positions (Staff positions only)

Departments	2003/04 Funded	2004/05 Funded	2005/06 Funded	2006/07 Funded	2007/08 Funded
Town Council	0.85	0.85	0.85	0.85	0.85
Town Treasurer	0.25	0.25	0.25	0.25	0.25
Town Attorney	1.75	1.50	1.30	1.30	1.35
Administrative Services	21.25	19.75	18.55	19.35	19.05
Community Development	18.60	19.60	18.80	18.80	18.80
Police Department	69.00	65.30	62.00	62.00	61.00
Parks & Public Works	41.00	37.00	37.00	34.00	34.00
Community Services	4.25	4.25	4.25	4.25	5.25
Library	10.75	11.10	10.35	10.35	10.35
Total Budgeted FTEs	167.70	159.60	153.35	151.15	150.90
FY Defunded Positions	14.55	22.90	24.30	23.70	23.45
Total Authorized Positions	182.25	182.50	177.65	174.85	174.35

Note – FTEs represent Town staff positions funded in annual budgets. Numbers do not include temporary hours or the filled or unfilled status of the positions.

SUMMARY OF PERSONNEL CHANGES

FY 2007/08

The Town's total budgeted labor and benefit costs for FY 2007/08 rose to nearly \$21.7 million (\$20.8 million in FY 2006/07). Of this amount, labor and benefit costs in the General Fund account for nearly \$20 million (\$19.1 million in FY 2006/07) or 92.2% of the Town's total labor and benefit expenditures. As a comparative, the General Fund component of labor and benefits in FY 2006/07 was 92% of labor and benefit expenses. Rapidly rising health insurance rates, workers compensation, and retirement costs are the primary causes of the increase in labor costs. A number of cost saving strategies have been employed in the budget to help mitigate part of the increase in personnel costs. The following discussion describes some of the staffing expenditures, savings and budget impacts.

Employee Compensation and Benefits

Personnel costs represent salaries of full and part-time personnel (including vacation, holiday, and sick leave compensation) and benefits, including health coverage, life and disability insurance, and retirement contributions. Annual wage increases and benefit adjustments are negotiated under each bargaining unit's Memorandum of Understanding (MOU's).

Memorandums of Understanding/Wages

The FY 2007/08 budget encompasses the budgetary effects of the following MOU's:

- Town Employees Association (TEA) A current two-year MOU agreement spans November 1, 2006 thru November 1, 2008 and includes a 3% salary schedule increase for TEA employees that becomes effective on October 1, 2007.
- Park and Public Works maintenance employees who are represented by the American Federation of State, County and Municipal Employees union (AFSCME) are currently in the final year of a three-year MOU agreement (June 20, 2004 – June 30, 2007) with the Town. The AFSCME association MOU is currently under negotiation.
- The Police Officer's Association entered into a two-year MOU agreement during FY 2005/06, which is effective from January 1, 2006 – December 31, 2007 and included a 3.5% wage increase which became effective December 31, 2006.
- The MOU for employees in the Confidential class generally mirrors the TEA contract
- Management's salary and benefit terms are reflected in the Town's Management Compensation Plan which is approved by Council each fiscal year.

Benefits

Although no major coverage changes to health insurance benefits, life and disability insurances, and retirement plans are anticipated in FY 2007/08, for the sixth year in a row, significant increases in medical insurance rates will adversely impact budgeted labor costs. The Town's basic insurance premium coverage (Kaiser family plan) increased 10.73% effective January 1, 2007. This increase comes on the heels of hefty increases of 23.3% in 2003, 17.83% in 2004, 16.13% in 2005, and 9.78% in 2006 – cumulatively a 100% increase which has more than doubled the PERS Kaiser family insurance premium from \$546 in 2003 to \$1,121 in five years. For FY 2007/08 budget projection purposes, staff planned for a 15% increase in health insurance premiums, and a 5% increase in dental insurance premiums. The actual new rates effective January 2008 are expected to be known in November 2007.

Pension Plan

The Town's two pension plans are the 2% at 55 for "Miscellaneous Employees" (non-safety) personnel and 3% at 50 for "Safety Employees" (Police Officers). From FY 1998/99

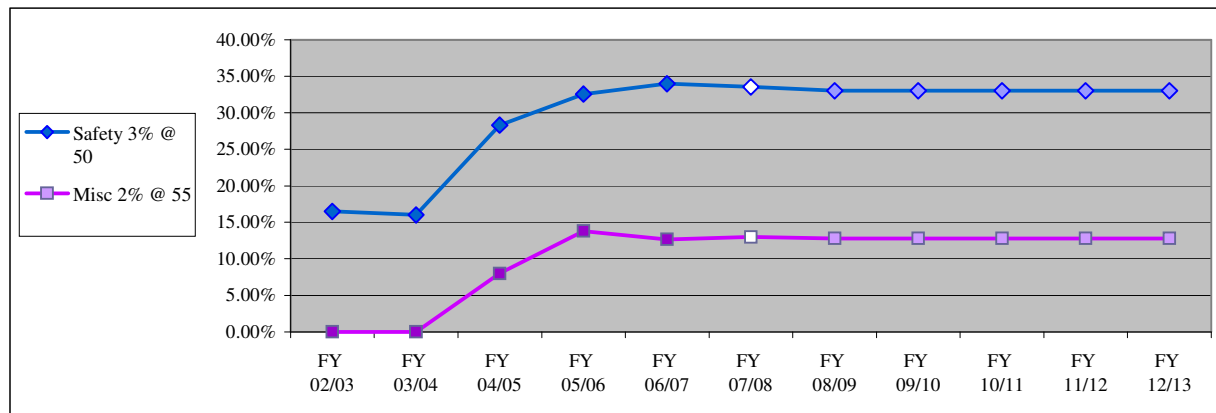
SUMMARY OF PERSONNEL CHANGES FY 2007/08

through FY 2003/04, retirement costs for Miscellaneous and Safety employees were negligible due to PERS “super funding” calculations from prior investment boom years. Following conservative practices however, the Town continued to charge itself a PERS retirement expense (based on the average PERS employer rates of years past) during these low-rate years and set aside the savings in a reserve account to be used to offset future increases in PERS rates.

In the past three years, however, due to the low interest rate climate, PERS has been compelled to increase contribution rates significantly to cover rising retiree costs. The Town’s Miscellaneous Employee rates formerly set at 7% in FY 2003/04 are 12.99% in FY 2007/08 while the Safety Personnel Employee rate, formerly 16.0% in FY 2003/04 is 33.55% for FY 2007/08.

As anticipated, a portion of this increase in retirement costs will be offset with the utilization of the PERS reserve account which had a balance of \$3.7 million in FY 2004/05. The planned draw down of reserves at the rate of \$300,000 is anticipated to smooth the effects of any future rate increases, should they occur. The added benefit of expensing retirement costs and setting a liability account aside during the employer “zero rate” years is the stability that it has afforded staffing levels. Through the recognition of realistic labor and benefit cost for staffing, the substantial PERS rate increases that the Town has experienced in recent years were mitigated by use of the PERS reserve.

The following schedule reflects the Town’s PERS pension rate for FY 2007/08 and expected rate for FY 2008/09 as issued by CALPERS in October, 2006. Updated PERS assumptions reflect an investment return rate of 7.75%, and a payroll growth rate of 3.25%.



PERS Pension Plan	FY 02/03	FY 03/04	FY 04/05	FY 05/06	FY 06/07	FY 07/08	FY 08/09	FY 09/10	FY 10/11	FY 11/12	FY 12/13
Safety 3% @ 50	16.50%	16.01%	28.30%	32.56%	33.99%	33.55%	33.00%	33.00%	33.00%	33.00%	33.00%
Misc 2% @ 55	0.00%	0.00%	8.01%	13.81%	12.66%	12.99%	12.80%	12.80%	12.80%	12.80%	12.80%

In spite of the leveling of PERS rates in future years, the sizeable increase of estimated PERS rates in comparison to prior year rates continues to be a significant determinant of Town benefit costs.

SUMMARY OF PERSONNEL CHANGES FY 2007/08

Budget Management Strategies

A number of strategies have been implemented to mitigate rising personnel costs. These include: charging staff time for grant-funded and Redevelopment Agency project work and proprietary services; increasing user fees to recover staff time costs for Town services; focusing staff time on core services to maintain the reduction in budgeted overtime; reducing hourly staffing use; and the defunding and deletion of non-essential benefited positions. For FY 2007/08, additional budget savings were achieved through fine-tuning benefit appropriation calculations for medical benefits. In past years, the budget assumed the highest cost benefit option for all staff. The FY 2007/08 budget appropriations, however, reflect actual benefit options for individual staff.

Overtime

Overtime expenditures continue to be assessed and adjustments continue to be made to reduce expenses where feasible. While unpredictable or non-controllable events will undoubtedly have their impact on the limited public safety and public works maintenance resources of the Town, adjustments to schedules and workload planning continues to generate a reduction in budgeted overtime from prior years. As a consequence, some non-critical Town services may see a reduction in service levels caused by staff being limited to regular work shifts, however, the restrictions have not proven to be problematic for normal operations of the Town.

Staffing Changes

The FY 2007/08 Operating Budget has 174.35 full-time equivalent (FTE) authorized positions. Since FY 2001/02, total funded staffing has been reduced by 23.45 FTE defundings and 9.6 FTE deletions, totaling a reduction of 33.35 FTEs in the authorized number of positions since that date. Defunded positions, as defined by the Town, are authorized positions without funding in the current fiscal year. Refundings (shown as negatives in the following schedule) indicate the funding of a position or a portion of an authorized position that had previously been defunded. Deletions are removal of authorized positions as a result of organizational restructuring. It should be noted that in some cases certain defunded positions will incur temporary hourly and consultant expenses until further organizational assessments are completed.

With continued focus on centralizing customer-based functions, cross training of support staff, and staffing appropriate positions for work duties, additional operational functions will be assessed during FY 2007/08 to identify further organizational opportunities. The recommended FY2007/08 staffing levels include the following changes from the prior year's adopted budget:

- *Parks and Public Works* – The planned retirement of a Senior Engineering Technician provides an opportunity to recommend a reclassification to Assistant Engineer to meet the increased level of professional skills required due to increased demands from private development activity. Additional staffing hours are proposed for a Temporary Engineer Technician and an Engineering Intern. FY 2007/08 also reflects a reduction in the Parks Program's part-time Temporary Maintenance Worker hours and the elimination of a temporary Office Specialist funded on a one-time basis in FY 2006/07 through the Capital Improvement Program. Reductions in temporary support is expected to be offset through the redeployment of other available administrative staff resources. The reduction of temporary maintenance support hours is anticipated to be offset by the strategic reassignment of full and part-time staff to maintain service delivery levels.
- *Finance and Administrative Services* – In FY 2004/05, two Accounting Technicians and one Sr. Account Clerk position were reduced from full-time to .80 FTE part-time positions due to budget reductions. The Sr. Account Technician is also funded as a .80 FTE part-time position. The planned implementation of a new information system calls for the funding of these four part-time positions at

full-time so as to assist with additional duties that will arise during the implementation process over the next two years.

- *Human Resources* – The new staffing structure reduces the .75 FTE of Human Resource Specialists positions and adds 1.0 FTE Administrative Analyst position to be split .80 FTE in Human Resources and .20 FTE in the Town Manager's Office. The new Administrative Analyst will provide analytical support in the area of recruitment, benefit administration, training, labor negotiations, legislation, and special projects.
- *Clerk/Management Information Systems* – Staffing structural changes will be implemented in the Clerk Department to better reflect resource deployment. These changes include a partial reallocation of the Administrative Programs Manager (.30 FTE) to provide departmental oversight and a Management Information Systems (MIS) Specialist (.25 FTE) to coordinate contract and insurance administrative support needs (funded through the Clerk Administration program and Self-Insurance Liability Fund). Staffing modifications will also be implemented in the MIS Department to assist in the management of the Town's growing information technology system requirements. The Network Administrator, which previously supported both Town-wide and public safety information systems, will be fully allocated to the Police Department to manage and maintain its growing technology needs. To meet Town-wide and other department-specific system needs, a .50 FTE Information Technology (IT) Help Desk support position will be added. Approximately .25 FTE of this position would be funded through community development fees to support the online permit tracking system. The remaining .25 FTE would be offset by the partial reallocation (.50 FTE) of the MIS Specialist to the Clerk Department and Self-Insurance Liability Fund.
- *Police Department* – Due to the retirement of 1.0 FTE Parking Control Officer, the Department recommends re-allocating some of this funding for a .5FTE Community Services Officer (hourly employee). Additionally, during FY 2006/07 the department reassigned one officer position from the Regional Auto Theft Task Force to patrol to address the need for minimum staffing, and is recommending to continue that redeployment. While the reassignment results in a loss of \$90,000 in reimbursement from the regional task force, it adds one patrol officer without increasing authorized positions to meet minimum shift requirements. The proposed budget for FY 2007/08 includes approximately \$90,000 in additional funding to ensure minimum staffing levels in the event of vacancies, in particular the vacancies occurring between the time an officer resigns and a new one is hired from the academy.
- *Community Services* – To better align staffing with departmental workload and enhance customer service in the Neighborhood Center, the department recommends reducing temporary staffing equivalent to approximately 1.0 FTE in exchange for one full-time position.

The schedule on the following page tracks staffing changes due to position defundings, refundings, deletions and additions since FY 2001/02:

SUMMARY OF PERSONNEL CHANGES FY 2007/08

DEFUNDINGS (REFUNDINGS)				
Department	Position	Prior Years Defunded FTEs	FY 2007/08 FTE Defundings	Total FTE Defundings
<i>Town Attorney</i>	Secretary to Town Attorney	1.00		1.00
<i>Town Manager's Office</i>	Office Clerk	0.20		0.20
<i>Human Resources</i>	Human Resource Specialists	1.00	(0.25)	0.75
<i>Finance and Administrative Services</i>	Accountant/Finance Analyst	0.60		0.60
<i>Clerk Administration</i>	Deputy Clerk	0.00	0.55	0.55
<i>Customer Service Center</i>	Deputy Clerk	0.00	0.45	0.45
<i>Community Development</i>	Administrative Analyst	0.40		0.40
	Plan Check Engineer	1.00		1.00
<i>Police Department</i>	Police Officer	4.00		4.00
	Communications Dispatcher	1.00		1.00
	Administrative Analyst	1.00		1.00
	Police Records Specialist	1.00		1.00
	Parking Control Officers	3.00	(1.00)	2.00
<i>Parks & Public Works</i>	Superintendent	1.00		1.00
	Lead Parks & Maintenance Worker	1.00	(1.00)	0.00
	Sr. Parks & Maintenance Worker	2.00	1.00	3.00
	Parks & Maintenance Worker	3.00		3.00
	Associate Civil Engineer	1.00		1.00
<i>Community Services</i>	Secretary II	1.00		1.00
<i>Library Department</i>	Administrative Analyst	0.50		0.50
Total FTE Defundings (Refundings)		23.70	(0.25)	23.45
DELETIONS (ADDITIONS)				
Department	Position	Prior Years Deleted FTEs	FY 2007/08 FTE Deletions	Total FTE Deletions
<i>Town Attorney</i>	Legal Assistant	0.75		0.75
<i>Human Resources</i>	Human Resource Specialists	0.00	1.00	1.00
	Administrative Analyst	0.00	(1.00)	(1.00)
<i>Finance and Administrative Services</i>	Sr. Accounting Tech	(0.25)	2.00	1.75
	Payroll Specialist	0.00	(1.00)	(1.00)
	Finance Project Coordinator	1.00		1.00
	Accountant /Finance Analyst	(1.00)	(1.00)	(2.00)
	Account Technician	0.00	(1.00)	(1.00)
	Sr. Account Clerk	0.00	1.00	1.00
<i>Management Information Systems</i>	MIS Specialist	(1.00)	1.50	0.50
	Network Administrator	0.00	(1.00)	(1.00)
	Help Desk Administrator	0.00	(0.50)	(0.50)
<i>Clerk Administration</i>	Sr. Deputy Clerk	1.00		1.00
	Deputy Clerk	0.25		0.25
	MIS Specialist	0.00	(0.50)	(0.50)
<i>Community Development</i>	Sr. Building Inspector	0.00	1.00	1.00
	Building Official	0.00	(1.00)	(1.00)
<i>Police Department</i>	Parking Coordinator	1.00		1.00
	Parking Control Officers	4.00	2.00	6.00
	Police Corporal	0.00	(5.00)	(5.00)
	Police Officer	0.00	5.00	5.00
<i>Parks & Public Works</i>	Sr. Parks and Maintenance Worker	1.00		1.00
	Facilities Coordinator	0.00	(1.00)	(1.00)
	Parks and Maintenance Worker	2.00	1.00	3.00
	Senior Engineer Technician	0.00	1.00	1.00
	Assistant Civil Engineer	0.00	(1.00)	(1.00)
	Administrative Secretary	0.00	(1.00)	(1.00)
	Secretary III	0.00	1.00	1.00
<i>Community Services</i>	Secretary I	0.00	(1.00)	(1.00)
<i>Library Department</i>	Secretary	(0.10)		(0.10)
	Principal Librarian	1.00		1.00
	Librarian	0.50		0.50
	Assistant Librarian	(0.75)		(0.75)
Total FTE Deletions (Additions)		9.40	0.50	9.90
TOTAL NET DEFUNDINGS and DELETIONS		33.10	0.25	33.35

SUMMARY OF PERSONNEL CHANGES FY 2007/08

Internal Service Fund Allocations

In addition to direct personnel expenditures, departments are charged for internal support services and employee insurance costs through payroll allocation charges. Appropriate charge-back rates are established based on either employee group historical costs or through a flat surcharge per employee. Annual reviews of these funds may result in adjustments to the rates.

Liability Insurance

Self-Insurance Fund rates (liability claim insurance premiums) for FY 2007/08 remain at the prior year rates as the Self-Insurance Fund Balance continues to be more than sufficient, and revenues are keeping pace with expenditures.

Workers Compensation

The Workers Compensation fund balance also continues to be healthy. The program's allocation charges were increased in FY 2004/05 to keep pace with the increase in insurance premiums, and will continue at this rate level in FY 2007/08 as revenues are keeping pace with expenditures.

Management Information

The Management Information Systems (MIS) program is funded through two different charge-backs to the departments. One charge is based on a percentage of salary to fund the salaries and operating expenses of the MIS program. The second allocation charge is based on the department's computer and printer equipment, established to fund the replacement cost of current technology equipment.

TOWN STAFF

POSITIONS BY HOME DEPARTMENT

	Authorized Positions	2003/04 Funded	2004/05 Funded	2005/06 Funded	2006/07 Funded	2007/08 Funded	Comments
TOWN ATTORNEY'S OFFICE							
Town Attorney	1.00	1.00	1.00	1.00	1.00	1.00	
Legal Assistant	-	0.75	0.50	-	-	-	
Secretary to the Attorney	1.00	-	-	-	-	-	<i>Continued defunding of 1.0 FTE.</i>
TOTAL FTEs	2.00	1.75	1.50	1.00	1.00	1.00	
TOWN MANAGER'S OFFICE							
Town Manager	1.00	1.00	1.00	1.00	1.00	1.00	
Assistant Town Manager	1.00	1.00	1.00	1.00	1.00	1.00	
Administrative Analyst	-	0.75	0.80	-	-	-	
Administrative Programs Mgr.	1.00	-	-	1.00	1.00	1.00	
Exec. Assistant to Town Mgr.	1.00	1.00	1.00	1.00	1.00	1.00	
Economic Vitality Manager	1.00	-	-	1.00	1.00	1.00	
Office Clerk	1.00	1.00	0.80	0.80	0.80	0.80	<i>Continued defunding of .20 FTE</i>
TOTAL FTEs	6.00	4.75	4.60	5.80	5.80	5.80	
HUMAN RESOURCES							
Human Resources Director	1.00	1.00	1.00	1.00	1.00	1.00	
Administrative Analyst	1.00	-	-	-	-	1.00	<i>CY funding</i>
Human Resources Specialist	1.00	1.70	1.40	1.00	1.00	0.25	<i>CY delete 1.0 FTE; continued defund .75 FTE</i>
TOTAL FTEs	3.00	2.70	2.40	2.00	2.00	2.25	
FINANCE & ADMINISTRATIVE SERVICES							
Finance & Admin. Director	1.00	1.00	1.00	1.00	1.00	1.00	
Finance Manager	1.00	1.00	1.00	1.00	1.00	1.00	
Finance Project Coordinator	-	1.00	0.80	-	-	-	
Accountant/Finance Analyst	2.00	0.40	0.40	0.40	0.40	1.40	<i>CY fund 1.0 FTE. Continued defunding to .40 FTE - Position shared with .60 FTE CDD Analyst position.</i>
Payroll Specialist	1.00	-	-	-	-	1.00	<i>CY fund 1.0 FTE</i>
Sr. Account Technician	-	1.75	1.75	1.80	2.00	-	<i>CY delete 2.0 FTE</i>
Account Technician	3.00	2.00	1.60	1.60	2.00	3.00	<i>CY fund 1.0 FTE</i>
Sr. Account Clerk	-	1.00	0.80	0.80	1.00	-	<i>CY delete 1.0 FTE</i>
TOTAL FTEs	8.00	8.15	7.35	6.60	7.40	7.40	
CLERK ADMINISTRATION							
Clerk Administrator	0.60	0.75	1.00	0.75	0.75	0.60	
Senior Deputy Clerk	-	1.00	1.00	-	-	-	
Deputy Clerk	0.95	2.00	1.50	1.05	1.05	0.40	<i>CY defund .55 FTE</i>
MIS Specialist	0.50	-	-	-	-	0.50	<i>Position shared with .50 FTE MIS Specialist position in Management Information Services</i>
TOTAL FTEs	2.05	3.75	3.50	1.80	1.80	1.50	
CUSTOMER SERVICE CENTER							
Clerk Administrator	0.40	-	-	0.25	0.25	0.40	
Deputy Clerk	0.80	-	-	0.70	0.70	0.35	<i>CY defund .45 FTE</i>
TOTAL FTEs	1.20	-	-	0.95	0.95	0.75	
MANAGEMENT INFORMATION SERVICES							
MIS Manager	1.00	1.00	1.00	1.00	1.00	1.00	
Network Administrator	1.00	-	-	-	-	1.00	<i>CY fund 1.0 FTE</i>
Help Desk Administrator	0.50	-	-	-	-	0.50	<i>CY fund .50 FTE</i>
MIS Specialist	0.50	2.00	2.00	2.00	2.00	0.50	<i>CY delete 1.0 FTE. Position shared with .50 FTE MIS Specialist position in Clerk Administration</i>
TOTAL FTEs	3.00	3.00	3.00	3.00	3.00	3.00	

TOWN STAFF

POSITIONS BY HOME DEPARTMENT

	Authorized Positions	2003/04 Funded	2004/05 Funded	2005/06 Funded	2006/07 Funded	2007/08 Funded	Comments
COMMUNITY DEVELOPMENT							
Community Developmt. Dir.	1.00	1.00	1.00	1.00	1.00	1.00	
Asst. Community Dev. Dir.	1.00	1.00	1.00	1.00	1.00	1.00	
Redevelopment Manager	-	1.00	1.00	-	-	-	
Administrative Analyst	1.00	0.60	0.60	0.60	0.60	0.60	Continued defunding to .60 FTE - Position shared with .40 FTE Finance Accountant position.
Administrative Secretary	1.00	1.00	1.00	1.00	1.00	1.00	
Secretary III	1.00	1.00	1.00	1.00	1.00	1.00	
Senior Planner	1.00	-	-	-	-	1.00	CY fund 1.0 FTE
Associate Planner	3.00	4.00	4.00	4.00	4.00	3.00	CY delete 1.0 FTE
Planner	1.00	-	1.00	1.00	1.00	1.00	
Assistant Planner	1.00	1.00	1.00	1.00	1.00	1.00	
Counter Technician	2.00	2.00	2.00	2.00	2.00	2.00	
Code Compliance Officer	1.00	1.00	1.00	1.00	1.00	1.00	
Building Official	1.00	-	-	-	-	1.00	CY fund 1.0 FTE
Sr. Building Inspector	-	1.00	1.00	1.00	1.00	-	CY delete 1.0 FTE
Building Inspector	4.00	4.00	4.00	4.00	4.00	4.00	
Plan Check Engineer	1.00	-	-	-	-	-	Continued defunding of 1.0 FTE, supported by part-time consultant
TOTAL FTEs	20.00	18.60	19.60	18.60	18.60	18.60	
POLICE							
Chief of Police	1.00	1.00	1.00	1.00	1.00	1.00	
Police Captain	2.00	2.00	2.00	2.00	2.00	2.00	
Police Sergeant	9.00	8.00	9.00	9.00	9.00	9.00	
Police Corporal	5.00	-	-	-	-	5.00	CY fund 5.0 FTE
Police Officer	29.00	33.00	32.00	30.00	30.00	25.00	CY delete 5.0 FTE. Continued defunding 4.0 FTE
Community Services Officer	4.00	4.00	4.00	4.00	4.00	4.00	
Crime Analyst	1.00	1.00	1.00	1.00	1.00	1.00	
Police Admin Services Mgr.	1.00	-	-	1.00	1.00	1.00	
Records Communications Mgr.	-	1.00	0.50	-	-	-	
Secretary to Chief	1.00	1.00	1.00	1.00	1.00	1.00	
Communications Dispatcher	8.00	7.00	7.00	7.00	7.00	7.00	Continued defunding of 1.0 FTE
Administrative Analyst	1.00	1.00	-	-	-	-	Continued defunding of 1.0 FTE
Police Records Specialist	4.00	3.00	3.00	3.00	3.00	3.00	Continued defunding of 1.0 FTE
Parking Coordinator	-	1.00	0.80	-	-	-	
Parking Control Officer	4.00	6.00	4.00	3.00	3.00	2.00	CY defund 1.0 FTE & delete 2.0 FTE. Continued defunding of 1.0 FTE
TOTAL FTEs	70.00	69.00	65.30	62.00	62.00	61.00	

TOWN STAFF

POSITIONS BY HOME DEPARTMENT

	Authorized Positions	2003/04 Funded	2004/05 Funded	2005/06 Funded	2006/07 Funded	2007/08 Funded	Comments
PARKS and PUBLIC WORKS DEPARTMENT							
PPW Director	1.00	1.00	1.00	1.00	1.00	1.00	
Town Engineer	1.00	1.00	1.00	1.00	1.00	1.00	
Administrative Analyst	1.00	1.00	1.00	1.00	1.00	1.00	
Administrative Specialist	1.00	1.00	1.00	1.00	1.00	1.00	
Public Works Specialist	1.00	2.00	2.00	2.00	1.00	1.00	
Administrative Secretary	1.00	-	-	-	-	1.00	<i>CY fund 1.0 FTE</i>
Secretary III	-	-	-	-	1.00	-	<i>CY delete 1.0 FTE</i>
Superintendent	3.00	2.00	2.00	2.00	2.00	2.00	<i>Continued defunding of 1.0 FTE</i>
Facilities Coordinator	1.00	1.00	-	-	-	1.00	<i>CY fund 1.0 FTE</i>
PPW Supervisor	1.00	-	1.00	1.00	1.00	1.00	
Town Arborist	1.00	1.00	1.00	1.00	1.00	1.00	
Lead Parks & Maint. Worker	2.00	1.00	1.00	1.00	1.00	2.00	<i>CY fund 1.0 FTE</i>
Sr. Parks & Maint. Worker	3.00	3.00	2.00	2.00	1.00	-	<i>CY defund 1.0 FTE. Continued defunding 2.0 FTE</i>
Parks & Maintenance Worker	12.00	14.00	12.00	12.00	10.00	9.00	<i>CY delete 1.0 FTE; continued defunding of 3.0 FTE</i>
Sweeper / Operator	1.00	1.00	1.00	1.00	1.00	1.00	
Tree Trimmer / High Climber	1.00	1.00	1.00	1.00	1.00	1.00	
Parks Service Officer	2.00	2.00	2.00	2.00	2.00	2.00	
Associate Civil Engineer	4.00	4.00	3.00	3.00	3.00	3.00	<i>Continued defunding of 1.0 FTE</i>
Assistant Civil Engineer	1.00	-	-	-	-	1.00	<i>CY fund 1.0 FTE</i>
Sr. Engineer Technician	-	1.00	1.00	1.00	1.00	-	<i>CY delete 1.0 FTE</i>
Senior Engineer Inspector	1.00	1.00	1.00	1.00	1.00	1.00	
Engineer Inspector	1.00	1.00	1.00	1.00	1.00	1.00	
Equipment Mechanic	2.00	2.00	2.00	2.00	2.00	2.00	
TOTAL DEPARTMENT FTEs	42.00	41.00	37.00	37.00	34.00	34.00	

COMMUNITY SERVICES							
Community Services Director	1.00	1.00	1.00	1.00	1.00	1.00	
Administrative Analyst	0.50	0.50	0.50	0.50	0.50	0.50	
Administrative Secretary	1.00	1.00	1.00	1.00	1.00	1.00	
Secretary II	1.00	-	-	-	-	-	<i>Continued defunding of 1.0 FTE</i>
Senior Coordinator	1.00	1.00	1.00	1.00	1.00	1.00	
Volunteer Coordinator	0.75	0.75	0.75	0.75	0.75	0.75	
Secretary I	1.00	-	-	-	-	1.00	<i>CY fund 1.0 FTE</i>
TOTAL DEPARTMENT FTEs	6.25	4.25	4.25	4.25	4.25	5.25	

TOWN STAFF POSITIONS BY HOME DEPARTMENT

	Authorized Positions	2003/04 Funded	2004/05 Funded	2005/06 Funded	2006/07 Funded	2007/08 Funded
LIBRARY						
Library Director	1.00	1.00	1.00	1.00	1.00	1.00
Assistant Library Director	1.00	1.00	1.00	1.00	1.00	1.00
Principal Librarian	2.00	3.00	3.00	2.00	2.00	2.00
Librarian	2.25	2.25	2.10	2.25	2.25	2.25
Associate Librarian	-	0.50	1.00	-	-	-
Circulation Supervisor	1.00	-	-	1.00	1.00	1.00
Library Assistant	2.50	2.50	2.50	2.50	2.50	2.50
Secretary III	0.60	0.50	0.50	0.60	0.60	0.60
Administrative Analyst	0.50	-	-	-	-	- <i>Continued defunding of .50 FTE</i>
TOTAL DEPARTMENT FTEs	10.85	10.75	11.10	10.35	10.35	10.35
TOTAL TOWN FTEs						
	174.35	167.70	159.60	153.35	151.15	150.90

ELECTED OFFICIALS					
	2003/04 Funded	2004/05 Funded	2005/06 Funded	2006/07 Funded	2007/08 Funded
Town Council	5.00	5.00	5.00	5.00	5.00
Town Clerk	1.00	1.00	1.00	1.00	1.00
Town Treasurer	1.00	1.00	1.00	1.00	1.00
TOTAL ELECTED OFFICIALS	7.00	7.00	7.00	7.00	7.00

HOURLY EMPLOYEES					
	2003/04	2004/05	2005/06	2006/07	2007/08
<i>Temporary Hours by Department</i>	<u>Funded</u>	<u>Funded</u>	<u>Funded</u>	<u>Funded</u>	<u>Funded</u>
Town Council	500	375	175	175	175
Administrative Services	1405	375	325	325	425
Community Development	2400	-	-	-	120
Police Department	2600	2,600	2,600	2,600	3,640
Parks & Public Works	7595	7,595	7,332	10,800	8,760
Community Services	1670	1,670	2,502	2,502	470
Library Department	12420	9,768	11,180	10,953	10,093
<i>Total Temporary Hours by Department</i>	28,590	22,383	24,114	27,355	23,683
CONVERTED HOURLY EMPLOYEES	13.75	10.76	11.59	13.15	11.39 <i>(1.00 FTE = 2080 hours)</i>